

* **Sec. 2.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 2014 budget summary by funding source to the state agencies named and for the purposes set out in the new legislation for the fiscal year beginning July 1, 2013 and ending June 30, 2014, unless otherwise indicated. The appropriations in this section fund legislation assumed to have passed during the first session of the twenty-eighth legislature. If a measure listed in this section fails to pass and its substance is not incorporated in some other measure, or is vetoed by the governor, the appropriation for that measure shall be reduced accordingly.

SB 95 STATE EMPLOYEE COMPENSATION AND BENEFITS

Salary adjustments, increments, and geographic pay differentials for non-covered employees, as described in SB 95 and accompanying fiscal notes, are included in section 1 of this Act. The fiscal note totals for SB 95 are: \$7,041,500 of unrestricted general funds, \$480,400 of designated general funds, \$2,165,400 of other state funds, and \$754,200 of federal receipts.

Appropriation

HB 4 ALASKA GASLINE DEVELOPMENT CORP; RCA

Department of Commerce, Community and Economic Development

Alaska Gasline Development Corporation

Alaska Gasline Development Corporation

1061 CIP Rcpts -3,634,300

1229 GasPipeFnd 7,692,600

Department of Environmental Conservation

Environmental Health

Air Quality

1229 GasPipeFnd 54,600

Water

Water Quality

1229 GasPipeFnd 236,200

Department of Law

Civil Division

1		Appropriation
2	Regulatory Affairs Public Advocacy	
3	1229 GasPipeFnd	102,300
4	Department of Transportation and Public Facilities	
5	Design, Engineering and Construction	
6	Statewide Design and Engineering Services	
7	1229 GasPipeFnd	711,800
8	Fund Capitalization	
9	Caps spent as duplicated funds	
10	In-state Natural Gas Pipeline Fund	
11	1213 AHCC	330,000,000
12	HB 19 PERM. MOT. VEH. REGISTRATION/TRAILERS	
13	Department of Administration	
14	Motor Vehicles	
15	Motor Vehicles	
16	1005 GF/Prgm	100,100
17	HB 30 STATE AGENCY PERFORMANCE AUDITS	
18	Alaska Legislature	
19	Budget and Audit Committee	
20	Legislative Audit	
21	1004 Gen Fund	642,300
22	HB 84 MILITARY TRAINING CREDIT/TEMP. LICENSE	
23	Department of Commerce, Community and Economic Development	
24	Corporations, Business and Professional Licensing	
25	Corporations, Business and Professional Licensing	
26	1156 Rcpt Svcs	137,600
27	HB 87 SPECIAL EDUCATION SERVICE AGENCY	
28	Department of Education and Early Development	
29	K-12 Support	
30	Special Schools	
31	1004 Gen Fund	374,800
32	HB 94 CON AND NELLIE MILLER BRIDGES	

1		Appropriation
2	Department of Transportation and Public Facilities	
3	Highways, Aviation and Facilities	
4	Central Region Highways and Aviation	
5	1004 Gen Fund	10,000
6	Northern Region Highways and Aviation	
7	1004 Gen Fund	6,900
8	HB 129 OIL & GAS EXPLORATION/DEVELOPMENT AREAS	
9	Department of Natural Resources	
10	Oil & Gas	
11	Oil & Gas	
12	1004 Gen Fund	134,000
13	HB 153 NAMING WALTER J. HICKEL PARKWAY	
14	Department of Transportation and Public Facilities	
15	Highways, Aviation and Facilities	
16	Central Region Highways and Aviation	
17	1004 Gen Fund	15,000
18	HB 193 MUNICIPAL TAXATION OF TOBACCO PRODUCTS	
19	Department of Revenue	
20	Taxation and Treasury	
21	Tax Division	
22	1108 Stat Desig	135,100
23	SB 2 INTERSTATE MINING COMPACT & COMMISSION	
24	Department of Natural Resources	
25	Land & Water Resources	
26	Mining, Land & Water	
27	1004 Gen Fund	55,000
28	SB 16 BD OF ARCHITECTS, ENGINEERS, SURVEYORS	
29	Department of Commerce, Community and Economic Development	
30	Corporations, Business and Professional Licensing	
31	Corporations, Business and Professional Licensing	
32	1156 Rcpt Svcs	115,500

1		Appropriation
2	SB 21 OIL AND GAS PRODUCTION TAX	
3	Department of Revenue	
4	Taxation and Treasury	
5	Tax Division	
6	1004 Gen Fund	100,000
7	Administration and Support	
8	Commissioner's Office	
9	1004 Gen Fund	34,600
10	SB 23 AIDEA: LNG PROJECT; DIVIDENDS; FINANCING	
11	Department of Commerce, Community and Economic Development	
12	Alaska Industrial Development and Export Authority	
13	Alaska Industrial Development and Export Authority	
14	1102 AIDEA Rcpt	950,000
15	SB 24 MARINE TRANSPORTATION ADVISORY BOARD	
16	Department of Transportation and Public Facilities	
17	Marine Highway System	
18	Marine Vessel Operations	
19	1004 Gen Fund	3,000
20	SB 27 REGULATION OF DREDGE AND FILL ACTIVITIES	
21	Department of Environmental Conservation	
22	Water	
23	Water Quality	
24	1004 Gen Fund	1,434,700
25	Department of Natural Resources	
26	Administration & Support Services	
27	Office of Project Management & Permitting	
28	1007 I/A Rcpts	361,800
29	SB 47 DISTRICT OPERATED BOARDING SCHOOLS	
30	Department of Education and Early Development	
31	K-12 Support	
32	Boarding Home Grants	

1		Appropriation
2	1004 Gen Fund	1,660,700
3	SB 57 LITERACY, PUPIL TRANSP, TEACHER NOTICES	
4	Department of Education and Early Development	
5	Teaching and Learning Support	
6	Early Learning Coordination	
7	1004 Gen Fund	45,400
8	Fund Transfers	
9	Designated Savings (UGF)	
10	Public Education Fund (Savings) (AS. 14.17.300)	
11	1004 Gen Fund	736,300
12	SB 88 ALASKA NATIVE MEDICAL CENTER HOUSING	
13	Department of Revenue	
14	Taxation and Treasury	
15	Treasury Division	
16	1004 Gen Fund	350,000
17	1163 COP	415,000
18	*** Total New Legislation Funding ***	342,981,000
19	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

**2013 Legislature - Operating Budget
Agency Summary with Funding - Conf Com Structure**

Numbers and Language Non Mental Health Funds

Agency	[1] All Funds SB95 TOT	[2] General SB95 TOT	[3] Other SB95 TOT	[4] Federal SB95 TOT
Agency Budgets				
Administration	1,588.3	1,453.1	134.0	1.2
Commerce, Community & Econ Dev	386.5	261.7	124.1	0.7
Corrections	49.7	49.7	0.0	0.0
Education & Early Dev	542.8	101.9	389.8	51.1
Environmental Conservation	57.2	41.4	1.1	14.7
Fish and Game	300.1	256.9	34.4	8.8
Governor	689.5	682.0	6.7	0.8
Health & Social Services	233.3	113.8	68.9	50.6
Labor & Workforce Dev	126.5	65.0	26.5	35.0
Law	1,806.9	1,447.2	358.6	1.1
Military & Veterans' Affairs	366.1	293.3	70.7	2.1
Natural Resources	183.9	134.2	49.7	0.0
Public Safety	52.4	49.8	2.6	0.0
Revenue	1,485.7	132.8	764.8	588.1
Transportation	202.7	69.2	133.5	0.0
Alaska Court System	1,088.7	1,088.7	0.0	0.0
Legislature	1,281.2	1,281.2	0.0	0.0
Total	10,441.5	7,521.9	2,165.4	754.2
 Statewide Total	 10,441.5	 7,521.9	 2,165.4	 754.2
 Funding Summary				
Unrestricted General (UGF)	7,041.5	7,041.5	0.0	0.0
Designated General (DGF)	480.4	480.4	0.0	0.0
Other State Funds (Other)	2,165.4	0.0	2,165.4	0.0
Federal Receipts (Fed)	754.2	0.0	0.0	754.2

**2013 Legislature - Operating Budget
Statewide Totals with Funding - Conf Com Structure**

Numbers and Language Non Mental Health Funds

	[1] All Funds SB95 TOT	[2] General SB95 TOT	[3] Other SB95 TOT	[4] Federal SB95 TOT
Total	10,441.5	7,521.9	2,165.4	754.2
<u>Funding Sources</u>				
1002 Fed Rcpts (Fed)	745.4	0.0	0.0	745.4
1003 G/F Match (UGF)	48.1	48.1	0.0	0.0
1004 Gen Fund (UGF)	6,993.4	6,993.4	0.0	0.0
1005 GF/Prgm (DGF)	106.7	106.7	0.0	0.0
1007 I/A Rcpts (Other)	748.5	0.0	748.5	0.0
1017 Group Ben (Other)	13.3	0.0	13.3	0.0
1018 EVOS Trust (Other)	7.6	0.0	7.6	0.0
1024 Fish/Game (Other)	3.7	0.0	3.7	0.0
1026 HwyCapital (Other)	4.5	0.0	4.5	0.0
1027 IntAirport (Other)	11.0	0.0	11.0	0.0
1029 PERS Trust (Other)	23.9	0.0	23.9	0.0
1031 Sec Injury (DGF)	1.4	1.4	0.0	0.0
1032 Fish Fund (DGF)	1.2	1.2	0.0	0.0
1034 Teach Ret (Other)	10.6	0.0	10.6	0.0
1036 Cm Fish Ln (DGF)	3.7	3.7	0.0	0.0
1042 Jud Retire (Other)	0.3	0.0	0.3	0.0
1045 Nat Guard (Other)	0.4	0.0	0.4	0.0
1050 PFD Fund (DGF)	7.8	7.8	0.0	0.0
1052 Oil/Haz Fd (DGF)	15.8	15.8	0.0	0.0
1054 STEP (DGF)	2.5	2.5	0.0	0.0
1055 IA/OIL HAZ (Other)	6.4	0.0	6.4	0.0
1061 CIP Rcpts (Other)	194.6	0.0	194.6	0.0
1066 Pub School (DGF)	1.7	1.7	0.0	0.0
1070 FishEn RLF (DGF)	0.4	0.4	0.0	0.0
1076 Marine Hwy (DGF)	18.2	18.2	0.0	0.0
1081 Info Svc (Other)	9.1	0.0	9.1	0.0
1093 Clean Air (Other)	0.2	0.0	0.2	0.0

2013 Legislature - Operating Budget
Statewide Totals with Funding - Conf Com Structure

Numbers and Language Non Mental Health Funds

	[1] All Funds SB95 TOT	[2] General SB95 TOT	[3] Other SB95 TOT	[4] Federal SB95 TOT
<u>Funding Sources (continued)</u>				
1101 AAC Fund (Other)	41.2	0.0	41.2	0.0
1102 AIDEA Rcpt (Other)	29.5	0.0	29.5	0.0
1103 AHFC Rcpts (Other)	219.7	0.0	219.7	0.0
1104 AMBB Rcpts (Other)	5.5	0.0	5.5	0.0
1105 PF Gross (Other)	369.4	0.0	369.4	0.0
1106 ACPE Rcpts (Other)	377.1	0.0	377.1	0.0
1108 Stat Desig (Other)	81.2	0.0	81.2	0.0
1133 CSSD Admin (Fed)	8.8	0.0	0.0	8.8
1141 RCA Rcpts (DGF)	22.5	22.5	0.0	0.0
1147 PublicBldg (Other)	0.9	0.0	0.9	0.0
1151 VoTech Ed (DGF)	0.4	0.4	0.0	0.0
1156 Rcpt Svcs (DGF)	50.4	50.4	0.0	0.0
1157 Wrkrs Safe (DGF)	10.3	10.3	0.0	0.0
1162 AOGCC Rct (DGF)	37.7	37.7	0.0	0.0
1168 Tob ED/CES (DGF)	4.0	4.0	0.0	0.0
1169 PCE Endow (DGF)	2.6	2.6	0.0	0.0
1172 Bldg Safe (DGF)	2.5	2.5	0.0	0.0
1200 VehRntlTax (DGF)	0.1	0.1	0.0	0.0
1201 CFEC Rcpts (DGF)	190.4	190.4	0.0	0.0
1205 Ocn Ranger (DGF)	0.1	0.1	0.0	0.0
1220 Crime VCF (Other)	6.8	0.0	6.8	0.0
<u>Funding Summary</u>				
Unrestricted General (UGF)	7,041.5	7,041.5	0.0	0.0
Designated General (DGF)	480.4	480.4	0.0	0.0
Other State Funds (Other)	2,165.4	0.0	2,165.4	0.0
Federal Receipts (Fed)	754.2	0.0	0.0	754.2

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SB 95
Fiscal Note Number:	1
(H) Publish Date:	4/1/2013

Identifier: 0101-OOG-OMB-3-25-2013
Title: STATE EMPLOYEE COMPENSATION AND BENEFITS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Various
Appropriation: Various
Allocation: Executive Branch
OMB Component Number:

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	8,085.9		4,645.6	10,253.2			
Travel							
Services	86.0		176.2	390.8			
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	8,171.9	0.0	4,821.8	10,644.0	0.0	0.0	0.0

Fund Source (Operating Only)

1002 Fed Rcpts	745.4		310.1	687.9			
1003 G/F Match	48.1		26.4	58.7			
1004 Gen Fund	4,623.5		2,220.0	4,873.1			
1005 GF/Prgm	106.7		65.4	144.5			
1037 GF/MH	48.8		63.0	139.9			
1178 temp code	2,599.4		2,136.9	4,739.9			
Total	8,171.9	0.0	4,821.8	10,644.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial version.

Prepared By: Lena Simmons, Operating Budget Coordinator
Division: Office of Management and Budget
Approved By: Karen Rehfeld, Director
Office of Management and Budget

Phone: (907)465-2697
Date: 03/25/2013 09:30 AM
Date: 03/25/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/12/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. LL 0101

Analysis

This bill relates to the compensation, allowances, geographic differentials in pay, and leave of certain public officials, officers, and employees not covered by collective bargaining agreements, and relates to certain petroleum engineers and petroleum geologists employed by the Department of Natural Resources .

To determine the cost impacts of this bill, we first looked at the impact resulting from the Cost of Living adjustment that would take place for the Non-Covered Executive Branch employees for the years FY2014 through FY2016. Beginning in FY2014, salaries are increased by 1.0%; in FY2015 an additional 1.0%; and in FY2016 an additional 2.5%. This salary schedule matches the recently negotiated agreement that was reached between the state and the supervisory and the general government units.

We then looked at the cost of living geographical pay differential. A study of this was conducted for the state by the McDowell Group in late 2008 in accordance with AS 39.27.030. After the study was completed, the state engaged in collective bargaining with the unions representing state employees and reached agreements updating the geographic differential rates provided in collective bargaining agreements in order to bring them in line with current cost-of-living data obtained through the study. This bill seeks to amend AS 39.27.020 to provide geographic pay differentials for "non-covered" state employees in the classified and partially exempt services and legislative branch employees (excluding employees of the House and Senate) consistent with the rates negotiated for state employees in the majority of collective bargaining agreements.

Many of the geographic pay differential rates found in AS 39.27.020 are inaccurate and no longer reflect the true cost-of-living in many communities throughout the state. Amending the statute brings "non-covered" employees in line with the geographic pay differential rates of employees covered by collective bargaining agreements. In addition, the election districts listed in the current statute are no longer the best practice in terms of implementing geographic pay differential rates in that significant variation in the cost of living exists within election districts.

This bill also provides that any state employee who would otherwise have their geographic pay differential reduced based on the new geographic pay differentials established under AS 39.27.020 will instead have their current pay rate frozen for so long as the employee remains at the employee's current duty station or until salary increases or changes in the employee's position result in a higher salary than that received under the former geographic pay rate. This provision does not apply to employees who are demoted for cause or who accept a voluntary demotion. However, an employee who is demoted for cause or accepts a voluntary demotion will continue to receive the pay differential solely as a result of the location of the employee's duty station as of June 30, 2013 providing it remains unchanged.

The amounts provided are based on FY2014 salaries and includes the 1% COLA increase recently introduced. Note: Although employees in the exempt service are not subject to AS 39.27.011, and therefore AS 39.27.020, it is the pay plan from which many exempt employees are paid. This fiscal note includes the cost of implementation for the exempt service.

Section 5 removes language from AS 39.25.110(14) that makes an exception to exempt petroleum geologists employed by the Division of Geological and Geophysical Surveys (DGGS). The bill would permit DGGS to hire the Energy Resources section chief (Geologist V) at the same pay scale as its DNR counterparts, thus improving the ability to recruit for and retain an experienced senior geologist to perform critical resource evaluation work for the state at the required technical level.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. LL 0101

Analysis Continued

The State has attempted to recruit for this position but has been unable to attract and retain candidates with petroleum industry experience at current pay scales in this non-exempt classification.

The amounts shown in FY2015 and FY2016 include the incremental increases of the COLA.

For FY2014 the amounts include the COLA and the geographical cost differential. The amount breaks down as follows:

Cost of Living Adjustment:	\$2,333.3
Geographical Differential:	\$5,797.4
<u>Dept. of Natural Resources (Petroleum Engineers/Geologists):</u>	<u>\$41.2</u>
Total:	\$8,171.9

All of the electronic transactions have been transmitted to the Legislative Finance Division. A report showing amounts per department for FY2014 is attached.

Operating Budget - UGF/DGF/Other/Fed Summary by Department

LL 0101-OOG-OMB-3-25-2013

Scenario: FY2014 PS 0101-OOG-OMB (10636)

Department	UGF	DGF	Other	Federal	Total	PFT	PPT	NP Positions	Total
Department of Administration	1,425.2	40.1	134.0	1.2	1,600.5	0	0	0	0
Department of Commerce, Community, and Economic Development	99.1	162.6	124.1	0.7	386.5	0	0	0	0
Department of Corrections	55.9	0.0	0.0	0.0	55.9	0	0	0	0
Department of Education and Early Development	101.9	0.0	389.8	51.1	542.8	0	0	0	0
Department of Environmental Conservation	25.5	15.9	1.1	14.7	57.2	0	0	0	0
Department of Fish and Game	66.5	190.4	34.4	8.8	300.1	0	0	0	0
Office of the Governor	682.0	0.0	6.7	0.8	689.5	0	0	0	0
Department of Health and Social Services	132.3	5.2	72.5	50.6	260.6	0	0	0	0
Department of Labor and Workforce Development	46.7	18.3	26.5	35.0	126.5	0	0	0	0
Department of Law	1,442.3	9.0	358.6	1.1	1,811.0	0	0	0	0
Department of Military and Veterans Affairs	293.3	0.0	70.7	2.1	366.1	0	0	0	0
Department of Natural Resources	133.3	0.9	77.3	0.0	211.5	0	0	0	0
Department of Public Safety	42.3	7.5	2.6	0.0	52.4	0	0	0	0
Department of Revenue	123.3	12.1	785.1	588.1	1,508.6	0	0	0	0
Department of Transportation/Public Facilities	50.8	29.0	122.9	0.0	202.7	0	0	0	0
Total:	4,720.4	491.0	2,206.3	754.2	8,171.9	0	0	0	0

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSSB 95(FIN)
Fiscal Note Number:	2
(H) Publish Date:	4/8/2013

Identifier: SB95-LEG-LEG-04-01-13
Title: STATE EMPLOYEE COMPENSATION AND BENEFITS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Various
Appropriation: Various
Allocation: Legislative Branch
OMB Component Number:

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	1,281.2		410.4	1,039.3			
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	1,281.2	0.0	410.4	1,039.3	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	1,281.2		410.4	1,039.3			
Total	1,281.2	0.0	410.4	1,039.3	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial Version

Prepared By: Skiff Lobaugh, Human Resources Manager
Division: Legislative Affairs Agency
Approved By: Pamela Varni, Executive Director
Legislative Affairs Agency

Phone: (907)465-6629
Date: 04/01/2013 04:00 PM
Date: 04/01/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/12/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 95

Analysis

SB 95 amends AS39.27 in two ways that will have fiscal impact for the Legislative Branch. The first being that the salary schedule in 39.27.011(a) is changed as follows: 1% increases in FY14 and FY15, and a 2.5% increase in FY16. The second is to the geographical differential set out in AS 39.27.020 (a). The geographical differential change will only affect FY14 and will then become part of the normal budgetary process in subsequent years. The overall impact for FY14 will be higher since it will include both the cost of living adjustment and the geographical adjustment as follows:

COLA FY14 = 405.3, Geo Dif FY14 = 875.9, Total for FY14 = 1,281.2

Each following fiscal year will only show the increase for COLA.

These increases do not apply to Legislators, as their salary is recommended by the State Officers Compensation Commission.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSSB 95(FIN)
Fiscal Note Number:	3
(H) Publish Date:	4/8/2013

Identifier: CSSB95(FIN)-ACS-000-04-08-13
Title: STATE EMPLOYEE COMPENSATION AND BENEFITS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Alaska Court System

Department: Various
Appropriation: Various
Allocation: Court System
OMB Component Number:

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	1,088.7		749.1	1,890.9			
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	1,088.7	0.0	749.1	1,890.9	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	1,088.7		749.1	1,890.9			
Total	1,088.7	0.0	749.1	1,890.9	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This version includes a geographic differential for the judges and justices.

Prepared By: Doug Wooliver for Christine Johnson
Division: Alaska Court System
Approved By: Doug Wooliver for Christine Johnson
Alaska Court System

Phone: (907)463-4750
Date: 04/08/2013 01:30 PM
Date: 04/08/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/12/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSSB 95(FIN)

Analysis

This bill relates to the compensation, allowances, and geographic differentials in pay and leave of certain public officials, officers, and employees not covered by collective bargaining agreements. The salary increases apply to all employees and judges in the judicial branch. The fiscal note reflects the cost for a salary increase of 1% beginning in FY14; 1% for FY15; and 2.5% for FY16. This schedule of increases is comparable to increases negotiated for the supervisory and general government units. Following is the cost of the salary increase by fiscal year:

Budget Unit	FY14	FY15	FY16
Appellate Courts	57.3	57.9	146.1
Trial Courts	589.8	595.5	1,503.0
Administration	79.9	80.6	203.7
Therapeutic Courts	5.4	5.5	13.8
Subtotal Alaska Court System	732.4	739.5	1,866.6
Judicial Council	7.0	7.1	17.9
Judicial Conduct	2.5	2.5	6.4
Total Judicial Branch	741.9	749.1	1,890.9

The fiscal note for the judicial branch also includes the following amendments relative to the geographic differentials paid to judges:

AS 22.05.140(c) is amended to read:

(c) In addition to the monthly salary, each justice is entitled to receive a geographic cost-of-living adjustment **on \$100,000 of the justice's base salary** [UNDER AS 22.35.010] based on the location of the primary office assignment. **The adjustment shall be calculated using the geographic pay differential percentages set out in AS 39.27.020(a).** Retirement contributions and benefits shall be computed only on the monthly base salary not including the geographic cost-of-living adjustment.

AS 22.10.190(c) is amended to read:

(c) In addition to the monthly salary, each superior court judge is entitled to receive a geographic cost-of-living adjustment **on \$100,000 of the judge's base salary** [UNDER AS 22.35.010] based on the location of the primary office assignment. **The adjustment shall be calculated using the geographic pay differential percentages set out in AS 39.27.020(a).** Retirement contributions and benefits shall be computed only on the monthly base salary not including the geographic cost-of-living adjustment.

AS 22.15.220(d) is amended to read:

(d) In addition to the monthly salary, each superior court judge is entitled to receive a geographic cost-of-living adjustment **on \$100,000 of the judge's base salary** [UNDER AS 22.35.010] based on the location of the primary office assignment. **The adjustment shall be calculated using the geographic pay differential percentages set out in AS 39.27.020(a).** Retirement contributions and benefits shall be computed only on the monthly base salary not including the geographic cost-of-living adjustment.

AS 22.35.010 is repealed.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSSB 95(FIN)

Analysis Continued

Alaska Court System

CSSB95(FIN) - Geograhic Differential for Judges¹

4/8/2013

Court Locations w/Geographic Differentials	FY13 Base Salary	Statutory Judicial Geo- Diff %	Current Geographic Differential Payment Per Judge By Location	Total Current Geographic Payment for All Locations	SB95 % Proposed Geo-Diff for FY14	SB95 Amounts Paid on \$100,000 Base Per Judge	Total SB95 Proposed Geographic Payment for All Locations
Superior Courts:							
Fairbanks (6)	181,440	3.5%	1,400	8,400	3.0%	3,000	18,000
Kodiak (1)	181,440	10.5%	4,200	4,200	11.0%	11,000	11,000
Dillingham (1)	181,440	17.5%	7,000	7,000	37.0%	37,000	37,000
Bethel (2)	181,440	17.5%	7,000	14,000	50.0%	50,000	100,000
Barrow (1)	181,440	17.5%	7,000	7,000	50.0%	50,000	50,000
Nome (1)	181,440	17.5%	7,000	7,000	37.0%	37,000	37,000
Kotzebue (1)	181,440	17.5%	7,000	7,000	60.0%	60,000	60,000
Juneau (2)	181,440	0.0%	-	-	5.0%	5,000	10,000
Sitka (1)	181,440	0.0%	-	-	5.0%	5,000	5,000
District Courts:							
Fairbanks (3)	153,840	3.5%	1,400	4,200	3.0%	3,000	9,000
Valdez (1)	153,840	10.5%	4,200	4,200	11.0%	11,000	11,000
Bethel (1)	153,840	17.5%	7,000	7,000	50.0%	50,000	50,000
Juneau (2)	153,840	0.0%	-	-	5.0%	5,000	10,000
Total Gross Wages for All Judges				70,000			408,000
Fringe Benefits @ 2.59%				1,813			10,567
				71,813			418,567

Increased Cost of Changes to Differentials

346,800

¹ As is the case with other state employees, some judges currently receive a geographic differential. Unlike other state employees, however, a judge's geographic differential is calculated only upon the first \$40,000 of salary, not the entire salary. Additionally, the geographic differential paid to some judges is substantially lower than the differential paid to other state employees in the same location. For example, second district judges in Kotzebue are paid a 17.5% geographic differential, while other state employees in this community are paid 60%.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS CSSH 4(FIN)
Fiscal Note Number:	4
(S) Publish Date:	4/11/2013

Identifier: HB004-DCCED-AGDC-4-9-13
Title: ALASKA GASLINE DEVELOPMENT CORP; RCA
Sponsor: HAWKER, CHENAULT
Requester: Senate Finance

Department: Department of Commerce, Community and
Economic Development
Appropriation: Alaska Gasline Development Corporation
Allocation: Alaska Gasline Development Corporation
OMB Component Number: 2986

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	4,058.3	1,212.1	5,320.4	5,195.4	4,895.4	4,895.4	4,895.4
Travel							
Services		2,422.2					
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	4,058.3	3,634.3	5,320.4	5,195.4	4,895.4	4,895.4	4,895.4

Fund Source (Operating Only)

1061 CIP Rcpts	(3,634.3)	3,634.3					
1229 GasPipeFnd	7,692.6		5,320.4	5,195.4	4,895.4	4,895.4	4,895.4
Total	4,058.3	3,634.3	5,320.4	5,195.4	4,895.4	4,895.4	4,895.4

Positions

Full-time	25.0	7.0	32.0	32.0	32.0	32.0	32.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 25,000.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? /

Why this fiscal note differs from previous version:

Updated Version - This revised fiscal note reflects the fiscal impact to the Alaska Gasline Development Corporation. Additional fiscal impacts to other agencies in future years is shown in the attached back up. Fiscal notes for the four agencies affected in FY14 are attached to the bill. Additional agencies are affected in out years; notes for those agencies are not attached to the bill. This fiscal note also reflects a fund source change from CIP Receipts to the new In-State Natural Gas Pipeline Fund. The FY14 Capital costs are included in the Senates version of the capital bill as AHCC Receipts.

Prepared By: Co-Chair Senator Kelly
Senate Finance Committee
Co-Chair Senator Meyer
Senate Finance Committee

Phone: (907)465-3753
Date: 04/09/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/11/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB 004

Analysis

This omnibus bill allows the Alaska Gasline Development Corporation (AGDC) to continue its statutory mission of delivering natural gas from Alaska's North Slope to Fairbanks and Southcentral Alaska. In its current form, the bill does the following:

- Creates an in-state natural gas pipeline fund;
- Creates a new independent state corporation and moves AGDC as a subsidiary of the Alaska Housing Finance Corporation to the new independent corporation;
- Makes certain information provided to or created by the Alaska Gasline Development Corporation exempt from inspection as a public record;
- Exempts property of a project developed by AGDC from property taxes before commencement of commercial operations;
- Exempts a pipeline owned by AGDC from common-carrier restrictions;
- Limits the review of natural gas transportation contracts by the Regulatory Commission of Alaska;
- Modifies the Alaska Natural Gas Development Authority statutes to allow it to act as a gas marketing entity for AGDC;

This legislation will have a fiscal impact for the following state agencies:

Department of Law

Regulatory Affairs and Public Advocacy Section

Department of Natural Resources

State Pipeline Coordinators Office

Office of History and Archaeology

Division of Geological and Geophysical Surveys

Division of Mining, Land and Water

Department of Environmental Conservation

Division of Environmental Health - Air Quality

Division of Environmental Health - Drinking Water

Division of Environmental Health - Food Safety and Sanitation

Division of Environmental Health - Solid Waste Management

Division of Spill Prevention and Response - Contaminated Sites

Division of Spill Prevention and Response - Industry Preparedness & Pipeline Operations

Division of Spill Prevention and Response - Prevention and Emergency Response Program

Division of Water

Department of Transportation & Public Facilities

Statewide Engineering and Design Services

See attachment for budget details for each agency.

Department	FY14	FY14	FY15	FY16	FY17	FY18	FY19
AGDC	4,058.3	3,634.3	5,320.4	5,195.4	4,895.4	4,895.4	4,895.4
DOL	102.3		136.4	136.4	136.4	136.4	136.4
DNR			670.3	2,434.4	2,786.7	2,786.7	408.9
DEC	290.8		410.6	808.0	2,428.1	2,594.6	2,617.1
DOT&PF	711.8		690.8	690.8	690.8	690.8	690.8
Total:	5,163.2	3,634.3	7,228.5	9,265.0	10,937.4	11,103.9	8,748.6

Fiscal Note Attachment

File Name: HB004CSSS(RES)-REV- AHFC-AGDC 3-25-13
Title: In State Gasline Development Corp.
Sponsor: Representative Hawker; Representative Chenault

Alaska Gasline Development Corporation

Component 2986

	FY14 Appropriation Requested	Included in Governor's base budget for FY14	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	4,058.3	1,212.1	5,320.4	5,195.4	4,895.4	4,895.4	4,895.4
Travel							
Services		2,422.2					
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	4,058.3	3,634.3	5,320.4	5,195.4	4,895.4	4,895.4	4,895.4
Positions	25	7	32	32	32	32	32

This bill creates an In-state Natural Gas Pipeline Fund but does not capitalize the fund. Assuming the fund is capitalized, AGDC will begin to utilize the fund during FY2014.

The total project costs for AGDC to project sanction, including prior year appropriations, are \$400 million. Other state agency needs through FY19 (as detailed in this attachment) are an additional \$27 million. AGDC would reimburse agencies for their costs through reimbursable service agreements. Capital expenditures from the In-state Natural Gas Pipeline Fund and additional appropriations are anticipated according to the following schedule (in million \$):

AGDC total project cost to project sanction:	\$400,000.0
*Agencies need through construction (FY14 - FY19):	<u>\$27,000.0</u>
	\$427,000.0
Prior year appropriations:	<u>(\$72,000.0)</u>
Funding needed:	\$355,000.0
FY14 Capital:	<u>-\$25,000.0</u>
Funds needed to project sanction/construction:	\$330,000.0

** Includes cost for AGDC, DEC, DNR, DOT/PF and LAW and assumes costs beyond FEL 3 and through FY19.*

Acquisition of Natural Gas

An AGDC gas marketing subsidiary will pursue natural gas purchases and could act as a gas consolidator for gas sales contracts. The subsidiary will evaluate the natural gas reserves purchased to meet aggregated electric utility needs. The role of an AGDC subsidiary would be one of a gas marketer and would also include the negotiation of gas contracts with entities interested in an aggregated approach to contractual negotiations. Staff will include a natural gas marketing manager and a natural gas marketing analyst.

To continue the project, AGDC will need 25 additional staff to be added during FY 2014 at an average annual fully-loaded cost of approximately \$145,158 per year.

Positions	Position description	Salary only
1	President	\$375,000
2	Vice President	\$285,000
3	Director, Administrative Services	\$120,000
4	Controller	\$95,000
5	Financial Accounting Manager	\$73,000
6	Financial Accountant	\$57,000
7	Financial Accountant	\$57,000
8	Financial Accountant	\$57,000
9	Accounts Payable Manager	\$71,000
10	A/P Clerk	\$43,000
11	A/P Clerk	\$43,000
12	Community Relations Representative	\$49,000
13	Stakeholder Engagement	\$57,000
14	Admin Support	\$43,000
15	Admin Support	\$43,000
16	Procurement Manager	\$73,000
17	Risk Manager	\$73,000
18	Human Resources	\$73,000
19	Payroll Manager	\$71,000
20	IT/IS Manager	\$73,000
21	Desktop Support	\$57,000
22	Desktop Support	\$57,000
23	Network Supervisor	\$57,000
24	Gas Marketing Manager	\$125,000
25	Gas Marketing Analyst	\$90,000

The operating budget costs identified (personal services) will be expended in support of the capital budget items in each of the subsequent fiscal years.

Total AGDC expenditures are budgeted in the following categories:

Project Plan Completion	\$ 30,000,000
Commercial Operations	13,825,000
Pipeline Engineering	93,784,000
Facilities Engineering	182,962,000
Support Activities	79,429,000
Total	\$400,000,000

Project Plan Completion: Completion of the project plan required by HB 369 and delivered to the Legislature in July, 2011 including all preliminary engineering and commercial analysis up to that point. This coincides with the stage gate at the end of FEL-1.

Commercial Operations: Advance commercial discussions with potential shippers and markets. Develop agreements to allow for the future development of this project. Engage and work with the Prudhoe Bay operations & owners on numerous integration issues.

Pipeline Engineering, Environmental & Permitting: Advance pipeline route data collection and design, utilizing the information to refine project cost estimates and plans necessary for serious commercial discussions and project development approvals. Develop engineering work in-line with industry best practices for mega-projects. Advance engineering design to be ready for placing long lead equipment and stock orders. Collect key environmental data necessary for regulatory permits preparation prior to construction.

Facilities Engineering, Environmental & Permitting: Advance preliminary and front-end engineering development, utilizing the information to refine project cost estimates and plans necessary for serious commercial discussions and project development approvals. Develop engineering work in-line with industry best practices for mega-projects. Advance engineering design to be ready for placing long lead equipment and stock orders. Collect key environmental data necessary for permits preparation prior to construction.

AGDC Support Activities: Home office activities to support the commercial and engineering development of the project including all external affairs, accounting, budget, legal, records management and managerial oversight activities.

Department of Natural Resources

In the preparation of this fiscal note certain assumptions have been made:

- 1) Participating State agencies will provide separate fiscal notes.
- 2) Schedule assumptions are based on AGDC's currently proposed schedule.
- 3) Construction oversight begins in FY2016 and continues through FY2017 and FY2018.
Operational oversight begins in FY2019. The cost estimate for these activities is for DNR only and does not include estimates for other State agencies.
- 4) Assume a two and one half-year construction schedule segregated into four geographic areas.
- 5) Assume SPCO will administer material sales within the right-of-way and the material sites after initial sale.

STATE PIPELINE COORDINATOR'S OFFICE

State Pipeline Coordinator's Office

Component Number 1191

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services			520.5	1,961.1	2,256.9	2,256.9	329.6
Travel			10.0	200.0	250.0	250.0	25.0
Services			4.0	70.0	76.5	76.5	15.0
Commodities			7.0	20.0	20.0	20.0	7.0
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	541.5	2,251.1	2,603.4	2,603.4	376.6

POSITIONS

8 8 8

Costs include SPCO expenses to coordinate the participation of DNR divisions in pre-construction permitting and work associated with AGDC's development of plans and processes required by the State Lease, lease compliance and the preparation and issuance of Notices to Proceed (NTP).

Eight new long-term, non-permanent (LTNP) Natural Resource Specialist (NRS) III (range 18) positions will be created in FY2016 and will exist through FY2018. All remaining positions will be partial use of existing SPCO positions, FY2015 through FY2019.

Travel would be for public meetings, public hearings, agency coordination and monitoring of contractors performing field work and compliance oversight. Other, contractual and supply costs include aerial photos, satellite imagery, field supplies, maps, office space, telephones, core service charges and related expenses.

STATE PIPELINE COORDINATOR'S OFFICE POSITIONS:

Listed below, by year, are the new and existing positions in Anchorage needed for pre-construction permitting /plan development and preparation of the NTPs. Existing positions used for the project will be assigned to work on a part time basis. New positions specific to the project will be classified as LTNP and will not extend beyond construction. Another option that will be considered is the use of contractors versus hiring LTNP employees. All contract support would be managed by permanent SPCO employees.

SPCO FY2015

- One Natural Resource Specialist (NRS) IV (range 21)
- One Natural Resource Manager (NRM) III (range 22)
- Two Natural Resource Specialist (NRS) III (range 18)
- One Information Officer III (PIO) (range 20)
- One Engineer IV (range 27)
- One Deputy State Pipeline Coordinator
- One State Pipeline Coordinator - total 3 months
- Administrative Support

SPCO FY2016

Pipeline construction oversight begins in FY2016. Because the activity is ramping up in FY2016, the estimated costs are lower than in FY2017 and FY2018.

- Eleven Natural Resource Specialist (NRS) III (range 18) – **eight of the eleven are new, long-term, non-permanent positions**
- One Natural Resource Manager (NRM) III (range 22)
- One Engineer IV (range 27)
- One Technical Engineer I (range 24)
- One Information Officer III (PIO) (range 20)
- One Deputy State Pipeline Coordinator
- One State Pipeline Coordinator - total 6 months
- Administrative Support

SPCO FY2017 and FY2018

Pipeline construction continues in FY2017 and FY2018:

- Eleven Natural Resource Specialist (NRS) III (range 18) – **eight of the eleven are new, long-term, non-permanent positions created in FY2016**
- One Natural Resource Manager (NRM) III (range 22)
- One Engineer IV (range 27)
- One Technical Engineer I (range 24)
- One Information Officer III (PIO) (range 20)
- One Deputy State Pipeline Coordinator
- One State Pipeline Coordinator - total 6 months
- Administrative Support

SPCO FY2019 and FY2020

Operational oversight and lease administration will require:

- Two Natural Resource Specialist (NRS) III (range 18)
- One Natural Resource Manager (NRM) III (range 22)
- One Engineer IV (range 27)
- One Technical Engineer I (range 24)
- One Information Officer III(PIO) (range 20)
- One Deputy State Pipeline Coordinator
- One State Pipeline Coordinator - total 1 month
- Administrative Support

DIVISION OF MINING, LAND AND WATER

Component Number 3002

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services			93.5	***	***	***	***
Travel			2.0				
Services			1.0				
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	96.5	***	***	***	***

Assumptions:

- 1) DNR/DMLW will be required to supervise, review and approve a title report prepared by SPCO regarding State owned lands in the pipeline ROW.
- 2) DNR will not be required to transfer title of any State lands to DOT/PF.
- 3) DNR/DMLW will not be responsible for title or ROW acquisitions from entities other than DNR managed lands including lands owned by private persons, boroughs, the university, mental health trust, ANCSA corporations, native allotments, and the federal government.
- 4) DNR/DMLW will review and approve all land surveys associated with granting an in-state gasline ROW and developing an in-state gasline across State land.

- 5) DNR/DMLW will participate in the ROW planning effort to some degree across State land, the review of the AS 38.35 ROW lease to be prepared by SPCO for issuance to DOT/PF. DMLW will participate in identifying lands within legislatively designated areas over which the ROW will cross and assist the responsible State agencies with efforts to extricate the ROW from the LDAs.
- 6) SPCO will issue AS 38.35 ROW across lands to DOT/PF, and SPCO will be responsible for issuance of the majority of the land use permits and material sales necessary within the ROW, but that DNR/DMLW will be required to issue some land use permits (within and outside the ROW), and material sales (outside the ROW) during the construction phase for gasline construction and maintenance (beyond FY2016).

The costs to DMLW would include expenses during FY2015 for providing assistance during the development team's planning efforts and pre-application meetings as well as costs associated with materials sales and permitting, as necessary, during the construction of the gasline.

DMLW has concluded that costs for FY2016 and beyond are indeterminate as the necessity, number and size of the permits or material sales outside the ROW are not known at this time. This budget does not include any estimated funding needed for DMLW for fiscal years 2016-2020.

DMLW FY2015

- One Natural Resource Manager (NRM) III (Range 22), 3 months for the supervision, review and approval of a title report prepared by SPCO staff.
- One Land Surveyor (LS) II (Range 22), 2 months for review and approval of all land surveys associated with granting an in-state gasline ROW.
- One Natural Resource Specialist (NRS) III (Range 18), 3 months for participation in the ROW planning effort to some degree across state land, the review of the AS 38.35 ROW lease to be prepared by SPCO for issuance to DOT/PF, DMLW will participate in identifying lands within legislatively designated areas over which the ROW will cross and assist the responsible state agencies with efforts to extricate the ROW from the LDAs.

Travel will be for planning and attending public meetings, as well as survey review and approval.

DMLW FY2016 and beyond

Indeterminate fiscal impact for FY2016 and beyond as the necessity, number and size of the permits or material sales are not known at this time. DMLW would utilize a Natural Resource Specialist (NRS) II – (Range 16) – at a rate of approximately \$96,250 per year for issuance of land use permits (within and outside the ROW), and material sales (outside the ROW) during the construction phase for gasline construction and maintenance.

OFFICE OF HISTORY & ARCHAEOLOGY

Component Number 451

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services			30.3	30.3	30.3	30.3	30.3
Travel			2.0	2.0	2.0	2.0	2.0
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	32.3	32.3	32.3	32.3	32.3

The Office of History and Archaeology anticipates using one archaeologist for review and monitoring of the cultural resource project program. OHA estimates utilizing the position for three months and some travel costs needed for site visits.

- One Archeologist II (range 18), 3 months

DIVISION OF GEOLOGICAL AND GEOPHYSICAL SURVEYS

Component Number 1031

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services				66.6	66.6	66.6	
Travel				11.1	11.1	11.1	
Services				68.0	68.0	68.0	
Commodities				5.3	5.3	5.3	
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	151.0	151.0	151.0	0.0

The Division of Geological and Geophysical Surveys (DGGS) cost estimate assumes that the state needs to understand the geohazards to ensure the applicant has identified and considered all geologic hazards along the route.

DGGS will use the following personnel in Fairbanks for management of geohazards project related studies and review of existing information. Travel and services will be for associated site visits, data gathering, and lab analyses.

- One Geologist IV (range 21), 2 months
- One Geologist III (range 19), 4 months
- One student Intern, 6 months

Department of Environmental Conservation

Summary of Cost for DEC

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	244.9	0.0	229.3	689.8	1,959.4	2,1115.8	2,086.9
Travel	8.2	0.0	14.2	24.4	109.4	119.4	117.0
Services	22.7	0.0	159.6	71.3	230.3	350.4	351.7
Commodities	15.0	0.0	7.5	22.5	129.0	9.0	61.5
Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	290.8	0.0	410.6	808.0	2,428.1	2,594.6	2,617.1

Positions: 2 0 3 6 19 20 20

Division of Environmental Health

Division of Environmental Health - Air Quality

Component Number 2061

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	40.9		13.5	23.9	12.8	28.9	
Travel	3.2		3.2	2.4	2.4	2.4	
Services	10.5		143.9	1.4	0.8	33.7	
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	54.6	0.0	160.6	27.7	16.0	65.0	0.0

Positions: 0 0 0 0 0 0 0

The primary impact of this bill on the Division of Air Quality is the fee authority for permitting for the Alaska Gasline Development Corporation. The bill also exempts air quality permits required under the federal Clean Air Act from certain provisions related to permit appeals. This provision is helpful in preventing conflicts with regards to the Division's federally approved permitting program.

HB 4 would require pre-application assistance, data reviews, modeling, engineering plan review and approval for air quality permits in conjunction with development of the pipeline. The Division assumes four construction applications in FY2015. This includes one Prevention of Significant Deterioration (PSD) permit and three Minor Source Specific (MSS) permits. Operation permits and compliance reviews would begin in FY2017.

Personal Services:

The Division assumes pre-application assistance will be provided by current staff (Environmental Program Manager III, and Environmental Program Specialist III) in FY2014 and current staff will provide oversight of term contracts in FY2015 through FY2018.

Travel:

Program staff will do a limited amount of traveling to manage this program, such as project site trips.

Services:

Much of the work effort will be completed by term contractors, with oversight by current staff. The majority of contractual work effort would be provided in FY2015.

Division of Environmental Health - Drinking Water

Component Number		2066					
	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services					100.5	120.7	120.7
Travel					15.0	15.0	15.0
Services					8.0	9.2	9.2
Commodities					8.0	0.5	0.5
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	131.5	145.4	145.4
Positions:	0	0	0	0	1	1	1

The primary impact of this bill on the Division of Environmental Health, Drinking Water component will be the requirement to perform engineered plan and record drawing submittal reviews, provide construction approvals, followed by operation approvals, for the water systems needed to support the labor camps. These water systems will also require routine compliance monitoring for public health protection.

Personal Services:

The Department will add one position to this component, an Environmental Engineer I, to review engineered plans for water systems and to provide construction approvals and operation approvals for the water systems needed to support the labor camps. This position will be filled for ten months the first year to allow for classification and recruitment time, and for twelve months each year thereafter.

Travel:

Travel will be required to provide on-site reviews and compliance monitoring of the water systems for public health protection.

Services:

Contractual services include costs for training registrations and small contracts.

Commodities:

One-time costs to set up a new position are included in the first year only. Supplies necessary for training and inspections are included as well in this fiscal note.

Division of Environmental Health - Food Safety & Sanitation

Component Number 2343

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services					82.3	98.7	98.7
Travel					15.0	15.0	15.0
Services					6.9	7.9	7.9
Commodities					8.0	0.5	0.5
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	112.2	122.1	122.1

Positions: 0 0 0 0 1 1 1

The primary impact of this bill on the Division of Environmental Health, Food Safety & Sanitation will be an increase in the permitting and inspecting of labor camp kitchens and public accommodations.

Personal Services:

Ensuring these camps and facilities are permitted and inspected requires additional staffing. The Department will add one position to this component, an Environmental Health Officer III, to inspect and permit labor camp kitchens and public facilities. This position will be filled for ten months the first year to allow for classification and recruitment time, and for twelve months each year thereafter.

Travel:

Travel will be required to provide technical assistance, inspect the labor camps and public facilities, and staff training and certification.

Services:

Contractual services include costs for training registrations and small contracts.

Commodities:

One-time costs to set up a new position are included in the first year only. Supplies necessary for training and inspections are included as well in this fiscal note.

Division of Environmental Health - Solid Waste Management

Component Number 2344

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services					89.8	107.8	107.8
Travel					15.0	15.0	15.0
Services					7.4	8.5	8.5
Commodities					8.0	0.5	0.5
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	120.2	131.8	131.8

Positions: 0 0 0 0 1 1 1

The primary impact of this bill on the Division of Environmental Health, Solid Waste Management component will be an increase in permitting the solid waste treatment facilities and landfills

associated with pipeline construction. These facilities pose a high risk to human health and the environment. They are authorized to operate either by permit or plan approval, which allows the Solid Waste Program to ensure that these facilities meet the design and operational standards in the regulations. After an authorization is issued, the Program further assesses compliance with the regulations by conducting on-site inspections of these facilities.

Personal Services:

The Department will add one position to this component, an Environmental Program Specialist IV, to inspect solid waste treatment facilities and landfills. This position will be filled for ten months in the first year to allow for classification and recruitment time, and for twelve months each year thereafter.

Travel:

Travel will be required to provide technical assistance and compliance monitoring to the labor camps, as well as training and certification of staff.

Services:

Contractual services include costs for training registrations and small contracts.

Commodities:

One-time costs to set up a new position are included in the first year only. Supplies necessary for training and inspections are included as well in this fiscal note.

Division of Spill Prevention & Response - Contaminated Sites

Component Number 2386

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services			11.8	87.7	87.7	87.7	87.7
Travel				6.0	6.0	6.0	6.0
Services			0.7	5.2	5.2	5.2	5.2
Commodities			7.5				
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	20.0	98.9	98.9	98.9	98.9

Positions: 0 0 1 1 1 1 1

The Contaminated Sites component of the Division of Spill Prevention and Response would be required to research sites located within the proposed pipeline right-of-way and participate in the development of the Environmental Impact Statement. During construction of the pipeline, the

program would conduct inspections, assessments and possibly cleanup oversight activities associated with contaminated soil and groundwater which may occur as a result of oil and hazardous substance releases at construction camps and other pipeline support infrastructure. This fiscal note assumes that construction of an in-state gasline would begin in FY2017.

Personal Services:

The program needs an Environmental Program Specialist II, range 16, to research sites located within the proposed pipeline right-of-way, prepare input to the Environmental Impact Statements and conduct inspections.

Travel:

Travel will be required to conduct research and inspection activities will be necessary.

Services:

The Department of Law would be consulted as needed.

Commodities:

The Division would incur one time set-up costs for the new position identified.

Division of Spill Prevention & Response - Industry Preparedness & Pipeline Operations

Component Number		1922					
	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services				278.7	278.7	364.4	364.4
Travel				5.0	6.0	6.0	6.0
Services				16.7	22.7	22.7	22.7
Commodities				15.0		7.5	
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	315.4	307.4	400.6	393.1
Positions:	0	0	0	2	2	3	3

The Industry Preparedness and Pipeline Operations component would be required to conduct contingency plan reviews, inspections, spill exercises and plan modifications/renewals as warranted. This fiscal note assumes that construction of an in-state gasline would begin in FY2017.

Personal Services:

The program needs one Technical Engineer/Architect II, range 25, and an Environmental Engineer II, range 23 in FY2016 to review designs, contingency plans, exercises and plan modifications for

the gas pipeline. An Environmental Program Specialist III, range 18, will be needed in FY2018 to inspect and issue renewals as warranted.

Travel:

Travel to conduct inspections, permitting, and preparedness activities will be necessary.

Services:

The Department of Law would be consulted as needed.

Commodities:

The Division would incur one time set-up costs for each new position identified above.

Division of Spill Prevention & Response - Prevention & Emergency Response Program

Component Number 2064

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services				95.5	869.4	869.4	869.4
Travel			6.0	6.0	30.0	40.0	40.0
Services			2.8	35.8	133.0	216.9	251.9
Commodities				7.5	90.0		60.0
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	8.8	144.8	1,122.4	1,126.3	1,221.3

Positions: 0 0 0 1 9 9 9

The Preparedness and Emergency Response Program would be required to increase inspection activities for pipeline camps, preparedness planning as well as response activities associated with the pipeline. This fiscal note assumes that construction of an in-state gasline would begin in FY2017.

Personal Services:

The program needs one Environmental Program Specialist III, range 18, beginning in FY2016 to review and comment on permit activities for the pipeline camps. Eight Environmental Program Specialist III, range 18 positions (four stationed in Fairbanks and four stationed in Anchorage) will be needed in FY2017 for preparedness planning and to address response activities associated with pipeline camps during the construction and operational phases along the right-of-way.

Travel:

Travel to conduct inspections, permitting, and preparedness activities will be necessary.

Services:

The program assumes one Incident Management Team size response annually, annual training, and additional leased space for eight new positions in field camps or field offices in nearby communities. The Department of Law would be consulted as needed.

Commodities:

The Division would incur one time set-up costs for the new positions identified above as well as personal protection equipment for Arctic weather to be used during inspections. Additionally, the program will require the purchase of four vehicles in FY2017, two staged in Anchorage and two staged in Fairbanks to conduct inspections of the pipeline, camps and for use in emergency responses. Wear and tear on these vehicles is expected to be high with an accelerated replacement schedule, therefore in FY2019; the program will purchase two replacement vehicles.

Division of Water - Water Quality

Component Number		2062					
	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	204.0		204.0	204.0	438.2	438.2	438.2
Travel	5.0		5.0	5.0	20.0	20.0	20.0
Services	12.2		12.2	12.2	46.3	46.3	46.3
Commodities	15.0				15.0		
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	236.2	0.0	221.2	221.2	519.5	504.5	504.5
Positions:	2	0	2	2	4	4	4

HB 4 would require approval for wastewater treatment systems constructed in conjunction with the development of the pipeline. The Department would be responsible for permitting multiple wastewater discharges from sinks and showers, drinking water treatment plants, domestic treatment plants, dewatering activities and stormwater. The Division will start project planning in 2014 and require two permitting positions. Construction will start in 2017 and require one engineering and one compliance position. Plan reviews and compliance inspections would occur during construction, with periodic inspections post construction. Assumptions are based on the proposed gasline schedule.

Personal Services:

The Division of Water would need an Environmental Program Specialist IV, range 20, and an Environmental Program Specialist III, range 18, to write permits. Beginning in FY2017, one

Environmental Engineer I, range 22 would be needed to review plans and one Environmental Program Specialist IV, range 20, would be needed to conduct inspections.

Travel:

Division staff will need to travel to attend meetings, trainings and conduct inspections.

Services:

Department of Law would be consulted as needed.

Commodities:

Includes one-time set up costs for two positions in FY2014 and two positions in FY2017.

Department of Transportation and Public Facilities

The Department's positions will manage the Utility Permit process for the Gas Line. The positions will issue utility permits and monitor Gas Line construction to ensure the highway asset is protected and that traffic safety and federal eligibility are maintained.

AGDC's July 1, 2011 Project Plan has nearly 70% of the Gas Line within the Department's Dalton, Elliot, and Parks Highway Right-of-Way (ROW). The importance of these transportation corridors to Alaska's transportation future cannot be overstated. A Utility Permit(s) issued by the Department will be the mechanism for permitting the construction and operation of the Gas Line within the ROW's and across several major bridges. The Department will assign conditions within the Utility Permit to ensure: safety to the traveling public during construction; traffic improvements are constructed to allow for safe ingress and egress for construction related traffic; the structural integrity of Alaska's highway assets is maintained or improved, and sufficient spatial distance is allowed for future expansion of highway infrastructure with the 75-100 year lifespan of the Gas Line within the existing ROW.

If a utility is permitted and built in the state's ROW, and that ROW becomes necessary for future highway improvement; the state bears the cost of relocating that utility. It is DOT&PF's responsibility to ensure the line's use of the state's ROW does not impact future anticipated highway needs. Specifically for the Parks Highway corridor between the Gas Line's Willow departure and at least Talkeetna Junction, the 75-100 year horizon identifies a four lane divided highway section as the safe and efficient highway section. A four lane limited access facility will occupy most of the existing ROW, so the Gas Line must be outside of that planned highway, or federal eligibility will be in jeopardy for future improvements requiring additional ROW or relocation of the Gas Line. Other highway alignments may have similar ROW constraints.

Statewide Engineering and Design**Component Number 2357**

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	364.3		364.3	364.3	364.3	364.3	364.3
Travel	45.0		45.0	45.0	45.0	45.0	45.0
Services	280.0		280.0	280.0	280.0	280.0	280.0
Commodities	22.5		1.5	1.5	1.5	1.5	1.5
TOTAL OPERATING	711.8	0.0	690.8	690.8	690.8	690.8	690.8

Positions: 3 3 3 3 3 3

An Engineer/Architect IV, Range 26, will serve as the technical expert, manage consultant activities, oversee regional staff who will be issuing permits and authorizations, oversee construction management consultants, documentation for continued federal eligibility, and coordination of utility permit conditions. An Environmental Impact Analysis Manager II, Range 22, will oversee work done in the ROW to insure compliance with federal and state requirements, ensure our processes provide for rapid permitting decisions and no delays in construction. An Administrative Assistant, Range 12, will assist with the day to day activities of the two professionals.

Travel:

Staff travel for coordinated meetings, on-site inspections, surveying and associated duties.

Services:

Contractual services include costs for core services, small contracts and consultation with the Department of Law and lease space.

Commodities:

One-time costs to set up a new position are included in the first year only. Routine supplies are included in out years.

Department of Law

CSSSHB 4 relates to creation of the Alaska Gasline Development Corporation (AGDC public corporation or new AGDC) as a public corporation, with corporate powers and duties. It establishes a fund for moneys appropriated by the legislature for use by the corporation, authorizes establishment of subsidiary corporations, gives power to issue revenue bonds and establish capital reserve funds, provides tax exemptions and establishes reporting requirements. The intent of the bill is that the existing Alaska Gasline Development Corporation (existing AGDC), a subsidiary of

Alaska Finance Housing Corporation (AHFC), and all of its assets and liabilities, would be merged or transferred into the new AGDC public corporation. It also transitions the Alaska Natural Gas Development Corporation (ANGDA) from a stand-alone public corporation into a subsidiary of the new AGDC public corporation. The purpose of the new AGDC is to advance the in-state natural gas pipeline under the project plan that was prepared by the existing AGDC.

CSSSHB 4, in part, amends Title 42 by adding a new chapter AS 42.08, which require the review and investigation of certain contracts, and/or disputes arising under the Act. The Attorney General, under AS 44.23.020(e), has the right to participate as a party in such proceedings to ensure the public interest is represented. The Regulatory Affairs and Public Advocacy Section within the Department of Law will need at least 1 FTE PAUA I position to meet the increased demand on the section's time and resources to participate in such proceedings. Funding for the position is requested for 3/4 of FY14, and full funding in out years.

The Department of Law does not anticipate any additional fiscal impacts from this legislation.

Component Number		2091					
	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	87.5		116.6	116.6	116.6	116.6	116.6
Travel	0.4		0.6	0.6	0.6	0.6	0.6
Services	12.0		16.0	16.0	16.0	16.0	16.0
Commodities	2.0		2.7	2.7	2.7	2.7	2.7
Capital Outlay	0.4		0.5	0.5	0.5	0.5	0.5
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	102.3	0.0	136.4	136.4	136.4	136.4	136.4
Positions:	1		1	1	1	1	1

Department of Commerce, Community, and Economic Development

This bill makes the Alaska Gasline Development Corporation (AGDC) an independent public corporation of the State, establishes the in-state natural gas pipeline fund, and locates the AGDC under the Department of Commerce, Community, and Economic Development for administrative purposes. The bill exempts the AGDC from the Executive Budget Act (AS37.07), the Alaska Procurement code (AS36.30), and the State Personnel Act (AS39.25). As a result of these exemptions, administrative support services from the department to AGDC are not expected for these functions.

If the AGDC is further exempted from the Uniform Accounting Act (AS37.05), then it is anticipated that no administrative services support from the department will be necessary. Therefore, no fiscal or regulatory impact is anticipated for Administrative Services from this legislation.

The bill also establishes regulation by the Regulatory Commission of Alaska (RCA) of natural gas transportation contracts, of an in-state natural gas pipeline project developed by the AGDC, and of an in-state natural gas pipeline that provides transportation by contract carriage and provides guidance for that regulation.

If HB4 is enacted it is expected that the RCA will adopt changes to regulations in 3 AAC 47 and 3 AAC 48.

Chapter 47.020 - 47.070 Regulatory Cost Charges will be amended to include regulatory cost charges for in-state natural gas pipelines (AS 42.08.370).

Chapter 48.600 - 48.6661 Practice and Procedure will be amended to establish the requirements for the form of application and the information to be contained in an application for a certificate of public convenience and necessity to provide contract carriage (AS 42.08.330).

The July 1, 2015 date by which the RCA would adopt, amend, or repeal regulations is an estimated date. In accordance with AS 42.05.175(e), the RCA would work to adopt, amend, or repeal regulations no later than 730 days after a rule-making proceeding is initiated.

With the availability of the Utility Finance Analyst III and Utility Engineering Analyst III positions approved and funded in the FY2013 budget, the RCA anticipates zero fiscal impact from this legislation.

1028 and Component Number 2417							
	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services	0.0		0.0	0.0	0.0	0.0	0.0
Travel	0.0		0.0	0.0	0.0	0.0	0.0
Services	0.0		0.0	0.0	0.0	0.0	0.0
Commodities	0.0		0.0	0.0	0.0	0.0	0.0
Capital Outlay	0.0		0.0	0.0	0.0	0.0	0.0
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Positions:	0		0	0	0	0	0

HB 4 In-State Gasline Development Corporation Fiscal Analysis

	Included in FY14 Governor's Request	FY14 Appropriation Request	FY14 TOTAL	FY15 Base	FY15 New	FY15 TOTAL	FY16 Base	FY16 New	FY16 TOTAL	FY17 Base	FY17 New	FY17 TOTAL	FY18 Base	FY18 New	FY18 TOTAL	FY19 Base	FY19 New	FY19 TOTAL
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT																		
Alaska Gasline Development Corporation	3,634.3	4,058.3	7,692.6	7,692.6	-2,372.2	5,320.4	5,320.4	-125.0	5,195.4	5,195.4	-300.0	4,895.4	4,895.4		4,895.4	4,895.4		4,895.4
TOTAL	3,634.3	4,058.3	7,692.6	7,692.6	-2,372.2	5,320.4	5,320.4	-125.0	5,195.4	5,195.4	-300.0	4,895.4	4,895.4	0.0	4,895.4	4,895.4	0.0	4,895.4
Commercial Operations		2	2	2		2	2		2	2		2	2		2	2		2
Pipeline & Facilities Engineering		0	0	0		0	0		0	0		0	0		0	0		0
Support Activities	7	23	30	30		30	30		30	30		30	30		30	30		30
TOTAL	7	25	32	32	0	32	32	0	32	32	0	32	32	0	32	32	0	32

DEPARTMENT OF ENVIRONMENTAL CONSERVATION																		
Environmental Health - Air Quality		54.6	54.6	54.6	106.0	160.6	160.6	-132.9	27.7	27.7	-11.7	16.0	16.0	49.0	65.0	65.0	-65.0	0.0
Environmental Health - Drinking Water		0.0	0.0	0.0		0.0	0.0		0.0	0.0	131.5	131.5	131.5	13.9	145.4	145.4		145.4
Environmental Health - Food Safety & Sanitation		0.0	0.0	0.0		0.0	0.0		0.0	0.0	112.2	112.2	112.2	9.9	122.1	122.1		122.1
Environmental Health - Solid Waste Management		0.0	0.0	0.0		0.0	0.0		0.0	0.0	120.2	120.2	120.2	11.6	131.8	131.8		131.8
Spill Prevention & Response		0.0	0.0	0.0	20.0	20.0	20.0	78.9	98.9	98.9		98.9	98.9		98.9	98.9		98.9
Spill Prevention & Response		0.0	0.0	0.0		0.0	0.0	315.4	315.4	315.4	-8.0	307.4	307.4	93.2	400.6	400.6	-7.5	393.1
Spill Prevention & Response		0.0	0.0	0.0	8.8	8.8	8.8	136.0	144.8	144.8	977.6	1,122.4	1,122.4	3.9	1,126.3	1,126.3	95.0	1,221.3
Division of Water		236.2	236.2	236.2	-15.0	221.2	221.2		221.2	221.2	298.3	519.5	519.5	-15.0	504.5	504.5		504.5
TOTAL	0.0	290.8	290.8	290.8	119.8	410.6	410.6	397.4	808.0	808.0	1,620.1	2,428.1	2,428.1	166.5	2,594.6	2,594.6	22.5	2,617.1
Commercial Operations			0	0		0	0		0	0		0	0		0	0		0
Pipeline & Facilities Engineering			0	0		0	0		0	0		0	0		0	0		0
Support Activities		2	2	2	1	3	3	3	6	6	13	19	19	1	20	20		20
TOTAL	0	2	2	2	1	3	3	3	6	6	13	19	19	1	20	20	0	20

DEPARTMENT OF LAW																		
Regulatory Affairs		102.3	102.3	102.3	34.1	136.4	136.4		136.4	136.4		136.4	136.4		136.4	136.4		136.4
TOTAL	0.0	102.3	102.3	102.3	34.1	136.4	136.4	0.0	136.4	136.4	0.0	136.4	136.4	0.0	136.4	136.4	0.0	136.4
Support Activities		1	1	1		1	1		1	1		1	1		1	1		1
TOTAL	0	1	1	1	0	1	1	0	1	1	0	1	1	0	1	1	0	1

DEPARTMENT OF NATURAL RESOURCES																		
State Pipeline Coordinators Office			0.0	0.0	541.5	541.5	541.5	1,709.6	2,251.1	2,251.1	352.3	2,603.4	2,603.4	0	2,603.4	2,603.4	-2,226.8	376.6
Office of History and Archaeology				0.0	32.3	32.3	32.3		32.3	32.3		32.3	32.3		32.3	32.3		32.3
Division of Geological and Geophysical Surveys		0	0.0	0.0		0.0	0.0	151	151.0	151.0		151.0	151.0		151.0	151.0	-151	0.0
Division of Mining, Land and Water			0.0	0.0	96.5	96.5	96.5	-96.5	0.0	0.0		0.0	0.0		0.0	0.0		0.0
TOTAL	0.0	0.0	0.0	0.0	670.3	670.3	670.3	1,764.1	2,434.4	2,434.4	352.3	2,786.7	2,786.7	0.0	2,786.7	2,786.7	-2,377.8	408.9
Commercial Operations			0	0		0	0		0	0		0	0		0	0		0
Pipeline & Facilities Engineering			0	0		0	0		0	0		0	0		0	0		0
Support Activities			0	0		0	0	8	8	8		8	8		8	8	-8	0
TOTAL	0	0	0	0	0	0	0	8	8	8	0	8	8	0	8	8	-8	0

DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES																		
Statewide Engineering & Design		711.8	711.8	711.8	-21.0	690.8	690.8		690.8	690.8		690.8	690.8		690.8	690.8		690.8
TOTAL	0.0	711.8	711.8	711.8	-21.0	690.8	690.8	0.0	690.8	690.8	0.0	690.8	690.8	0.0	690.8	690.8	0.0	690.8
Commercial Operations			0	0		0	0		0	0		0	0		0	0		0
Pipeline & Facilities Engineering			0	0		0	0		0	0		0	0		0	0		0
Support Activities		3	3	3		3	3		3	3		3	3		3	3		3
TOTAL	0	3	3	3	0	3	3	0	3	3	0	3	3	0	3	3	0	3

GRAND TOTAL	3,634.3	5,163.2	8,797.5	8,797.5	-1,569.0	7,228.5	7,228.5	2,036.5	9,265.0	9,265.0	1,672.4	10,937.4	10,937.4	166.5	11,103.9	11,103.9	-2,355.3	8,748.6
CUMULATIVE TOTAL			8,797.5			16,026.0			25,291.0			36,228.4			47,332.3			56,080.9
Commercial Operations	0	2	2	2	0	2	2	0	2	2	0	2	2	0	2	2	0	2
Pipeline & Facilities Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Support Activities	7	29	36	36	1	37	37	11	48	48	13	61	61	1	62	62	-8	54
POSITION GRAND TOTAL	7	31	38	38	1	39	39	11	50	50	13	63	63	1	64	64	-8	56

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS CSSH 4(FIN)
Fiscal Note Number:	6
(S) Publish Date:	4/11/2013

Identifier: HB4-DEC-AQ-4-9-13
Title: ALASKA GASLINE DEVELOPMENT CORP; RCA
Sponsor: HAWKER, CHENAULT
Requester: Senate Finance

Department: Department of Environmental Conservation
Appropriation: Environmental Health
Allocation: Air Quality
OMB Component Number: 2061

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	40.9		13.5	23.9	12.8	28.9	
Travel	3.2		3.2	2.4	2.4	2.4	
Services	10.5		143.9	1.4	0.8	33.7	
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	54.6	0.0	160.6	27.7	16.0	65.0	0.0

Fund Source (Operating Only)

1229 GasPipeFnd	54.6		160.6	27.7	16.0	65.0	
Total	54.6	0.0	160.6	27.7	16.0	65.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

New Version - This one page fiscal note reflects the fiscal impact to the Department of Environmental Conservation, Air Quality allocation and appropriates the new In-State Natural Gas Pipeline Fund as designated by the Alaska Gasline Development Corporation.

Prepared By: Co-Chair Senator Kelly
Senate Finance Committee
Co-Chair Senator Meyer
Senate Finance Committee

Phone: (907)465-3753
Date: 04/09/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/11/2013

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS CSSH 4(FIN)
Fiscal Note Number:	7
(S) Publish Date:	4/11/2013

Identifier: HB4-DEC-WQ-4-9-13
Title: ALASKA GASLINE DEVELOPMENT CORP; RCA
Sponsor: HAWKER, CHENAULT
Requester: Senate Finance

Department: Department of Environmental Conservation
Appropriation: Water
Allocation: Water Quality
OMB Component Number: 2062

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	204.0		204.0	204.0	438.2	438.2	438.2
Travel	5.0		5.0	5.0	20.0	20.0	20.0
Services	12.2		12.2	12.2	46.3	46.3	46.3
Commodities	15.0				15.0		
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	236.2	0.0	221.2	221.2	519.5	504.5	504.5

Fund Source (Operating Only)

1229 GasPipeFnd	236.2		221.2	221.2	519.5	504.5	504.5
Total	236.2	0.0	221.2	221.2	519.5	504.5	504.5

Positions

Full-time	2.0		2.0	2.0	4.0	4.0	4.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

New Version - This one page fiscal note reflects the fiscal impact to the Department of Environmental Conservation, Water Quality allocation and appropriates the new In-State Natural Gas Pipeline Fund as designated by the Alaska Gasline Development Corporation.

Prepared By: Co-Chair Senator Kelly
Senate Finance Committee
Co-Chair Senator Meyer
Senate Finance Committee

Phone: (907)465-3753
Date: 04/09/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/11/2013

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS CSSSHB 4(FIN)
Fiscal Note Number:	8
(S) Publish Date:	4/11/2013

Identifier: HB4-DOL-RAPA-4-9-13
Title: ALASKA GASLINE DEVELOPMENT CORP; RCA
Sponsor: HAWKER, CHENAULT
Requester: Senate Finance

Department: Department of Law
Appropriation: Civil Division
Allocation: Regulatory Affairs Public Advocacy
OMB Component Number: 2764

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	87.5		116.6	116.6	116.6	116.6	116.6
Travel	0.4		0.6	0.6	0.6	0.6	0.6
Services	12.0		16.0	16.0	16.0	16.0	16.0
Commodities	2.0		2.7	2.7	2.7	2.7	2.7
Capital Outlay	0.4		0.5	0.5	0.5	0.5	0.5
Grants & Benefits							
Miscellaneous							
Total Operating	102.3	0.0	136.4	136.4	136.4	136.4	136.4

Fund Source (Operating Only)

1229 GasPipeFnd	102.3		136.4	136.4	136.4	136.4	136.4
Total	102.3	0.0	136.4	136.4	136.4	136.4	136.4

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

New Version - This one page fiscal note reflects the fiscal impact to the Department of Law, Regulatory Affairs and Public Advocacy allocation and appropriates the new In-State Natural Gas Pipeline Fund as designated by the Alaska Gasline Development Corporation.

Prepared By: Co-Chair Senator Kelly
Senate Finance Committee
Co-Chair Senator Meyer
Senate Finance Committee

Phone: (907)465-3753
Date: 04/09/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/11/2013

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS CSSH 4(FIN)
Fiscal Note Number:	5
(S) Publish Date:	4/11/2013

Identifier: HB4-DOTPF-SD&ES-4-9-13
Title: ALASKA GASLINE DEVELOPMENT CORP; RCA
Sponsor: HAWKER, CHENAULT
Requester: Senate Finance

Department: Department of Transportation and Public Facilities
Appropriation: Design, Engineering and Construction
Allocation: Statewide Design and Engineering Services
OMB Component Number: 2357

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	364.3		364.3	364.3	364.3	364.3	364.3
Travel	45.0		45.0	45.0	45.0	45.0	45.0
Services	280.0		280.0	280.0	280.0	280.0	280.0
Commodities	22.5		1.5	1.5	1.5	1.5	1.5
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	711.8	0.0	690.8	690.8	690.8	690.8	690.8

Fund Source (Operating Only)

1229 GasPipeFnd	711.8		690.8	690.8	690.8	690.8	690.8
Total	711.8	0.0	690.8	690.8	690.8	690.8	690.8

Positions

Full-time	3.0		3.0	3.0	3.0	3.0	3.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

New Version - This one page fiscal note reflects the fiscal impact to the Department of Transportation and Public Facilities, Statewide Design and Engineering Services allocation and appropriates the new In-State Gas Pipeline Fund as designated by the Alaska Gasline Development Corporation.

Prepared By: Co-Chair Senator Kelly
Senate Finance Committee
Co-Chair Senator Meyer
Senate Finance Committee

Phone: (907)465-3753
Date: 04/09/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/11/2013

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS CSSH B 4(FIN)
Fiscal Note Number:	9
(S) Publish Date:	4/11/2013

Identifier: HB4-Fund Cap-In-State Gas Pipeline4-8-13
Title: ALASKA GASLINE DEVELOPMENT CORP; RCA
Sponsor: HAWKER, CHENAULT
Requester: Senate Finance

Department: Fund Capitalization
Appropriation: Caps spent as duplicated funds
Allocation: In-state Natural Gas Pipeline Fund
OMB Component Number: 3019

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous	330,000.0						
Total Operating	330,000.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1213 AHCC	330,000.0						
Total	330,000.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 25,000.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version:

This fiscal note capitalizes the In-State Natural Gas Pipeline Fund with \$330 million AHCC Receipts. The FY14 Capital costs reflect the Governor's Request for \$25 million AHCC Receipts.

Prepared By: Co-Chair Senator Kelly
Senate Finance Committee
Co-Chair Senator Meyer
Senate Finance Committee

Phone: (907)465-3753
Date: 04/08/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/11/2013

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSHB 19(TRA)
Fiscal Note Number:	2
(H) Publish Date:	3/20/2013

Identifier: HB019CS(TRA)-DOA-DMV-2-23-13
Title: PERM. MOT. VEH. REGISTRATION/TRAILERS
Sponsor: STOLTZE, KELLER
Requester: House Finance

Department: Department of Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services	100.1						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	100.1	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1005 GF/Prgm	100.1						
Total	100.1	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	5,346.0		5,982.0	(17,836.0)	(20,128.7)	(20,128.0)	(22,420.0)
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/14

Why this fiscal note differs from previous version:

The original version restricted the amount of MVRT that could be collected by DMV. The CS removed the restriction.

Prepared By: Amy Erickson, Director
Division: Motor Vehicles
Approved By: Curtis Thayer, Deputy Commissioner
Department of Administration

Phone: (907)269-5559
Date: 02/23/2013 07:36 AM
Date: 02/23/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 03/19/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB019(TRA)

Analysis

The effective date of this bill is January 1, 2014.

This bill allows for permanent registration of non-commercial vehicles that are at least eight years old, allows for permanent registration of all non-commercial trailers, establishes a one-time \$25 permanent registration fee, allows municipalities to establish one-time Motor Vehicle Registration Tax (MVRT) rates for permanent registrations.

Expenditures

The database for DMV will need programming to allow for permanent registration of non-commercial trailers, and permanent registration of non-commercial vehicles eight years and older.

Estimated contract hours: 700

Cost per hour: \$143

Total programming cost: $700 \times \$143 = \$100,100$.

Revenues

Motor Vehicle Registration Tax (MVRT): The DMV currently collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaska, and Whittier. Eighty-four percent (84%) of all vehicles and 77% of all trailers reside in a community that collects MVRT, and on average, 72% of vehicles are eligible for permanent registration. Eight percent (8%) of the MVRT collected is retained by the state as collection costs; historically, the collection costs have been approximately \$1 million annually. Eliminating biennial MVRT for approximately 533,000 vehicles and trailers will reduce the collection costs. The net effect on the general fund is indeterminate.

Assumptions:

- 1) **Non-commercial vehicles at least 8 years old** - 478,400 vehicles will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (239,200) will renew in 2014 and half will renew in 2015. Approximately 30,300 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2002-2012.
- 2) **Non-commercial trailers** - 115,500 trailers will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (57,750) will renew in 2014 and half will renew in 2015. Approximately 5,000 new trailers are registered each year. This is an average of the number of currently registered trailers with model years 2002-2012.
- 3) DMV estimates that 90% of owners will elect for permanent registration on vehicles and non-commercial trailers. The additional \$25 for permanent registration is low enough to make that option attractive for all except those who know they will be moving out of state replacing the vehicle/trailer within the following two years.
- 4) DMV experience shows that registrations are never renewed on approximately 20% of older vehicles.

Performance Measures

The DMV expects this bill will have very little impact on its performance measures, since only about 11% of registration renewals are processed at a DMV office.

Estimated Revenue Change - HB019CS (TRA) - TOTAL

		2014	2015	2016	2017	2018	2019
2014	Increase from perm reg	6,682.5	-	-	-	-	-
	Loss in biennial fees	-	-	(23,090.0)	-	(23,090.0)	-
2015	Increase from perm reg		7,477.5	-	-	-	-
	Loss in biennial fees		-	-	(25,955.0)	-	(25,955.0)
2016	Increase from perm reg			795.0	-	-	-
	Loss in biennial fees			-	-	(2,865.0)	-
2017	Increase from perm reg			-	795.0	-	-
	Loss in biennial fees			-	-	-	(2,865.0)
2018	Increase from perm reg			-	-	795.0	-
2019	Increase from perm reg			-	-	-	795.0
Total Estimated Revenue Increase/(Decrease)*		6,682.5	7,477.5	(22,295.0)	(25,160.0)	(25,160.0)	(28,025.0)
Assume 20% leave state, no longer in service or do not re-register		(1,336.5)	(1,495.5)	4,459.0	5,032.0	5,032.0	5,605.0
Net Estimated Revenue Increase/(Decrease)		5,346.0	5,982.0	(17,836.0)	(20,128.0)	(20,128.0)	(22,420.0)

*assume 100% of vehicles re-register

Vehicles

		2014	2015	2016	2017	2018	2019
2014: 239.2 current vehicles eligible for perm reg							
215.3 opt for perm reg (239.2 x 90%)							
Increase from perm reg (215.3 x \$25)	5,382.5						
Loss in biennial fees (215.3x \$100)				(21,530.0)		(21,530.0)	
2015: 269.5 vehicles eligible for perm reg,							
including 30.3 newly eligible							
242.6 opt for perm reg (269.5 x 90%)							
Increase from perm reg (242.6 x \$25)			6,065.0				
Loss in biennial fees (242.6 x \$100)					(24,260.0)		(24,260.0)
2016: 30.3 newly eligible for perm reg							
27.3 opt for perm reg (30.3 x 90%)							
Increase from perm reg (27.3 x \$25)				682.5			
Loss in biennial fees (27.3 x \$100)						(2,730.0)	
2017: 30.3 newly eligible for perm reg							
27.3 opt for perm reg (30.3 x 90%)							
Increase from perm reg (27.3 x \$25)					682.5		
Loss in biennial fees (27.3 x \$100)							(2,730.0)
2018: 30.3 newly eligible for perm reg							
27.3 opt for perm reg (30.3 x 90%)							
Increase from perm reg (27.3 x \$25)						682.5	
2019: 30.3 newly eligible for perm reg							
27.3 opt for perm reg (30.3 x 90%)							
Increase from perm reg (27.3 x \$25)							682.5
Total Estimated Revenue Increase/(Decrease)		5,382.5	6,065.0	(20,847.5)	(23,577.5)	(23,577.5)	(26,307.5)

Non-Commercial Trailers

		2014	2015	2016	2017	2018	2019
2014: 57.8 current trailers eligible for perm reg							
52 opt for perm reg (57.8 x 90%)							
Increase from perm reg (52 x \$25)	1,300.0						
Loss in biennial fees (52x \$30)				(1,560.0)		(1,560.0)	
2015: 62.8 trailers eligible for perm reg,							
including 5.0 newly eligible							
56.5 opt for perm reg (62.8 x 90%)							
Increase from perm reg (56.5x \$25)			1,412.5				
Loss in biennial fees (56.5 x \$30)					(1,695.0)		(1,695.0)
2016: 5.0 trailers newly eligible for perm reg							
4.5 opt for perm reg (5.0 x 90%)							
Increase from perm reg (4.5 x \$25)				112.5			
Loss in biennial fees (4.5 x \$30)						(135.0)	
2017: 5.0 trailers newly eligible for perm reg							
4.5 opt for perm reg (5.0 x 90%)							
Increase from perm reg (4.5 x \$25)					112.5		
Loss in biennial fees (4.5 x \$30)							(135.0)
2018: 5.0 trailers newly eligible for perm reg							
4.5 opt for perm reg (5.0 x 90%)							
Increase from perm reg (4.5 x \$25)						112.5	
2019: 5.0 trailers newly eligible for perm reg							
4.5 opt for perm reg (5.0 x 90%)							
Increase from perm reg (4.5 x \$25)							112.5
Total Estimated Revenue Increase/(Decrease)		1,300.0	1,412.5	(1,447.5)	(1,582.5)	(1,582.5)	(1,717.5)

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSHB 30(FIN)
Fiscal Note Number:	3
(H) Publish Date:	2/13/2013

Identifier: HB 30 - Legislative Audit
Title: STATE AGENCY PERFORMANCE AUDITS
Sponsor: ** CHENAULT, OLSON
Requester: House Finance

Department: Alaska Legislature
Appropriation: Budget and Audit Committee
Allocation: Legislative Audit
OMB Component Number: 773

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	286.3		363.9	363.9	363.9	363.9	363.9
Travel	39.0		48.5	48.5	48.5	48.5	48.5
Services	296.0		929.0	776.0	902.0	755.0	755.0
Commodities	21.0		10.5	10.5	10.5	10.5	10.5
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	642.3	0.0	1,351.9	1,198.9	1,324.9	1,177.9	1,177.9

Fund Source (Operating Only)

1004 Gen Fund	642.3		1,351.9	1,198.9	1,324.9	1,177.9	1,177.9
Total	642.3	0.0	1,351.9	1,198.9	1,324.9	1,177.9	1,177.9

Positions

Full-time	3.0		3.0	3.0	3.0	3.0	3.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Re-ordering of departments reflected in the committee substitute necessitated changes to contractual services amounts. Only the timing of the amounts between years changed. The total services amount remains the same.

Prepared By: Kris Curtis
Division: Division of Legislative Audit
Approved By: Kris Curtis
Division: Division of Legislative Audit

Phone: (907)465-4199
Date: 02/11/2013 10:00 AM
Date: 02/11/13

REPORTED OUT OF
SFC 04/09/2013

REPORTED OUT OF
HFC 02/12/2013

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 30

Analysis

71000 - Personal Services

In FY 14 the \$286.3 will pay for: two (2) full-time staff (salary & benefits), range 22, step A for 8 months and one (1) full time staff, range 24, step A for 12 months. Starting FY 15 the \$363.9 will pay for: two (2) full-time staff (salary & benefits), range 22, step A for a full 12 months and one (1) full time staff, range 24, step A for 12 months.

72000 - Travel

Anticipate 6 in-state trips and 1 out of state trip for each of the review team members.

73000 - Contractual

The amounts include \$20.0 annually for telecommunications, software licenses, space costs, deliver services and utilities. The largest portion is the expected contractual costs associated with consultants as shown below. A detail break down of these costs are as follows: (Note The review year of the legislation is on a calendar year and the budget is prepared on a fiscal year. So 80% of the consultants costs are expected in the fiscal year with the same date as the review year and 20% of the consultant's costs will be in the fiscal year with a date one year after the review year.

Review Year	Department	Consultant Costs
2014	Department of Corrections	\$345.0
2015	DHSS	\$1,050.0
2016	DEED	\$735.0
2017	Governor's Office Agencies	\$210.0
2017	Legislative Agencies	\$210.0
2017	Court System	\$420.0
2018	University of Alaska	\$735.0
2019	DOTPF	\$735.0
2020	Department of Administration	\$525.0
2020	DCCED	\$525.0
2021	Department of Fish and Game	\$475.0
2021	Department of Environmental Cons	\$475.0
2021	Department of Natural Resources	\$475.0
2022	Department of Revenue	\$525.0
2022	Department of Law	\$370.0
2022	Department of Public Safety	\$315.0
2023	DMVA	\$265.0
2023	DLWD	\$370.0

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 30

Analysis Continued

74000 - Commodities

Includes office supplies and equipment under \$5,000. FY 14 costs are higher because of the need to purchase computers, monitors, desks and other first year start up costs.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HB 84
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB084Sam-DCCED-CBPL-04-12-13
Title: MILITARY TRAINING CREDIT/TEMP. LICENSE
Sponsor: SADDLER
Requester: Senate Rules

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel	107.6						
Services	30.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	137.6	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1156 Rcpt Svcs	137.6						
Total	137.6	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/13

Why this fiscal note differs from previous version:

This version reflects the change in effective date from December 31, 2014 back to December 31, 2013. This change will result in additional costs to the licensees to meet the requirements of this bill.

Prepared By: Don Habeger, Director
Division: Corporations, Business and Professional Licensing
Approved By: Ellen Hanrahan, Director
Administrative Services Division

Phone: (907)465-2536
Date: 04/12/2013 06:30 PM
Date: 04/12/13

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB 84

Analysis

HB 84 would require the department or board to accept relevant experience, training, or service acquired while serving in the armed forces for professional licensing. The bill would allow greater flexibility for those exiting military service to become temporarily licensed in Alaska.

Travel costs of 107.6 are to meet the December 31, 2013 effective date and would require eleven affected boards to schedule additional meetings before October 1 in order to meet the requirements of this bill. It is expected that each of the affected boards will need two meetings to deliberate the topic, confer with content experts including the Department of Defense, draft and approve regulations before the public comment period, and consider public comment before approving final regulations. This fiscal note reflects the travel costs for board members and staff to travel to these meetings. The department will make every effort to schedule additional meetings via teleconference when feasible.

Services of 30.0 include additional funding for facilitation and drafting of regulations by the December 31 effective date.

Average costs per individual associated with a one day board meeting:

Per diem – \$65
Car rental – \$100
Hotel – \$125
Average airfare – \$400
Total cost – \$690

BAH – $7 \times 690 = 4,830 \times 2 = 9,660$	AS 08.13
CHI – $6 \times 690 = 4,140 \times 2 = 8,280$	AS 08.20
CSW – $6 \times 690 = 4,140 \times 2 = 8,280$	AS 08.95
DEN – $10 \times 690 = 6,900 \times 2 = 13,800$	AS 08.32
MFT – $6 \times 690 = 4,140 \times 2 = 8,280$	AS 08.63
MED – $8 \times 690 = 5,520 \times 2 = 11,040$	AS 08.64
NUR – $7 \times 690 = 4,830 \times 2 = 9,660$	AS 08.68
PHA – $8 \times 690 = 5,520 \times 2 = 11,040$	AS 08.80
PHYS – $8 \times 690 = 5,520 \times 2 = 11,040$	AS 08.84
PYSCH – $6 \times 690 = 4,140 \times 2 = 8,280$	AS 08.86
VET – $6 \times 690 = 4,140 \times 2 = 8,280$	AS 08.98

Total for eleven boards – 107,640

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HB 87
Fiscal Note Number: _____
() Publish Date: _____

Identifier: CSHB087-EED-K12-4-11-13
Title: SPECIAL EDUCATION SERVICE AGENCY
Sponsor: HIGGINS
Requester: Conference Committee for HB087

Department: Department of Education and Early Development
Appropriation: K-12 Support
Allocation: Special Schools
OMB Component Number: 2735

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3
Miscellaneous							
Total Operating	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3

Fund Source (Operating Only)

1004 Gen Fund	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3
Total	374.8	2,035.5	2,410.3	2,410.3	2,410.3	2,410.3	2,410.3

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 373.8

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

The SESA sunset is extended to June 30, 2021.

Prepared By: Elizabeth Nudelman, Director
Division: School Finance and Facilities
Approved By: Mike Hanley
Commissioner

Phone: (907)465-8679
Date: 04/11/2013 03:33 PM
Date: 04/12/13

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CCSHB87

Analysis

This legislation amends AS 14.30.650, the funding for the Special Education Service Agency (SESA), by increasing the funding from \$15.75 times the average daily membership (ADM) to \$18.65 times the ADM.

In addition, this legislation is removing language in AS 14.30.650 which addresses the department to reduce payments to SESA by the amount the department contributes to the Alaska public employee and teacher retirement (PERS/TRS) system on-behalf of SESA.

This legislation extends the sunset date for SESA from June 30, 2013 to June 30, 2021. Additionally, the uncoded law is amended stating this Act is retroactive to June 30, 2013.

Since the legislation would take effect immediately under AS 01.10.070(c), the formula for SESA would increase for FY2013 and a supplemental would be required. The current FY2013 SESA Entitlement is \$2,029,952 (FY2012 actual ADM of 128,885.84 x \$15.75). Under the CSHB87, the total entitlement would be \$2,403,721 (FY2012 actual ADM of 128,885.84 x \$18.65); an increase of \$373,769.

SESA is governed by the Governor's Council on Disabilities and Special Education. It provides outreach services to school districts that serve low incidence severely disabled students. [AS 14.30.600 - 660]

FY2014 Calculation:

FY2013 Preliminary ADM	129,240.60
FY2014 Projected SESA Entitlement (appropriation in budget at \$15.75)	\$2,035,539
FY2014 Projected SESA Entitlement (CSSB17 at \$18.65)	<u>\$2,410,337</u>
Additional funding necessary for FY2014 based on CSHB87	\$ 374,798

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS HB 94(FIN)
Fiscal Note Number:	2
(S) Publish Date:	4/9/2013

Identifier: SCS HB094-DOT-CRHA-4-9-13
Title: CON AND NELLIE MILLER BRIDGES
Sponsor: ISAACSON
Requester: Senate Finance Committee

Department: Department of Transportation and Public Facilities
Appropriation: Highways, Aviation and Facilities
Allocation: Central Region Highways and Aviation
OMB Component Number: 564

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities	10.0						
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	10.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	10.0						
Total	10.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This committee substitute adds the naming of the Lowell J. Ray Corridor.

Prepared By: Connie McKenzie
Division: Office of the Commissioner
Approved By: Mary Siroky
Administrative Services Director

Phone: (907)465-4772
Date: 04/05/2013 05:15 PM
Date: 05/15/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/09/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB 94

Analysis

House Bill 94 would designate portion of East Blue Lupine Drive in Wasilla between Hyer Road and Hay Street the Lowell J. Ray Corridor.

There would be two signs, one sign introducing the corridor in each route direction, per the Manual on Uniform Traffic Control Devices (MUTCD). *"The memorial or dedication signing shall be limited to one sign at an appropriate location in each route direction, each as an independent sign installation."*

Each sign would be up to 120" wide and 42" tall
Cost of material for each sign is \$ 5,000/per sign

2 signs total \$10,000

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SCS HB 94(FIN)
Fiscal Note Number:	3
(S) Publish Date:	4/9/2013

Identifier: SCS HB094-DOT-NRHA-4-9-13
Title: CON AND NELLIE MILLER BRIDGES
Sponsor: ISAACSON
Requester: Senate Finance Committee

Department: Department of Transportation and Public Facilities
Appropriation: Highways, Aviation and Facilities
Allocation: Northern Region Highways and Aviation
OMB Component Number: 2068

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities	6.9						
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	6.9	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	6.9						
Total	6.9	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

The committee substitute adds "the original Santa Claus" and "the original Mrs. Claus" to the Con and Nellie Miller Bridge signs.

Prepared By: Connie McKenzie
Division: Office of the Commissioner
Approved By: Mary Siroky
Administrative Services Director

Phone: (907)465-4772
Date: 04/05/2013 05:15 PM
Date: 05/15/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/09/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB 94

Analysis

There are 2 bridges listed in the (draft) bill. (northbound = #1364, and southbound = #1866 crossings)
Each would only need one sign, because the two bridges are each "one way" over the spillway, so the signs needed would be installed on the traffic-entry end, identifying that bridge to travelers.

By regulation each sign, per MUTCD (Manual on Traffic Control Devices) is required to have white letters on blue background. Posts are required to be 3" x 3" tube steel w/frangible couplings. Posts must be set in concrete for breakaway performance. (Augured hole must be 12" diameter x 3' deep, minimum)

Sizes would be 24" tall x 96" long:

Cost of material for each bridge sign is	\$ 3,450/per sign
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2 signs total (just 1 per bridge)	\$6,900
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Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSHB 129(FIN)
Fiscal Note Number:	2
(H) Publish Date:	4/8/2013

Identifier: HB129-DNR-DOG-3-25-13
Title: OIL & GAS EXPLORATION/DEVELOPMENT
AREAS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: House Finance Committee

Department: Department of Natural Resources
Appropriation: Oil & Gas
Allocation: Oil & Gas
OMB Component Number: 439

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	80.0						
Travel	3.0						
Services	48.8						
Commodities	2.2						
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	134.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	134.0						
Total	134.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary	1.0						

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/14

Why this fiscal note differs from previous version:

While the bill does not require regulations, after discussion and review in the House/Senate Resources Committees, the Department determined that regulations would be a useful tool in managing the decision-making process.

Prepared By: William C. Barron
Division: Oil and Gas
Approved By: Daniel S. Sullivan, Commissioner
Department of Natural Resources

Phone: (907)269-8800
Date: 03/25/2013 11:00 AM
Date: 03/25/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 04/12/2013

REPORTED OUT OF
HFC 04/08/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB 129

Analysis

This bill will allow the Department of Natural Resources to approve oil and gas exploration and development for a geographic area, without regard to individual lease boundaries.

To implement this bill would require one non-permanent position (Natural Resource Specialist III) to draft regulations and prepare exploration approvals for existing oil and gas lease sale areas. Contractual services would be for legal support, public outreach and notice, and travel for public meetings. On-going exploration and development approvals would be accomplished using existing staff as a result of efficiencies gained through implementing this bill.

The department plans to adopt regulations to facilitate implementation of this statute by June 30, 2014.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSHB 153(TRA)
Fiscal Note Number:	1
(H) Publish Date:	3/13/2013

Identifier: HB153-DOT-CRHA-3-8-13
Title: NAMING WALTER J. HICKEL PARKWAY
Sponsor: LYNN
Requester: House Transportation Committee

Department: Department of Transportation and Public Facilities
Appropriation: Highways, Aviation and Facilities
Allocation: Central Region Highways and Aviation
OMB Component Number: 564

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities	15.0						
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	15.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	15.0						
Total	15.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable, initial version of HB153.

Prepared By: Connie McKenzie, Legislative Liaison
Division: Office of the Commissioner
Approved By: Mary P. Siroky, Director
Division of Administrative Services

Phone: (907)465-4772
Date: 03/08/2013 04:30 PM
Date: 03/08/13

REPORTED OUT OF
SFC 04/09/2013

REPORTED OUT OF
HFC 03/19/2013

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HB153

Analysis

House Bill 153 would designate Minnesota Drive in Anchorage and the portion of O'Malley Road from Minnesota Drive to the New Seward Highway as the Walter J. Hickel Expressway.

There would be two signs, one sign introducing the expressway in each route direction, per new language in Section 2M-10 of the federal 2009 Manual on Uniform Traffic Control Devices (MUTCD). *"The memorial or dedication signing shall be limited to one sign at an appropriate location in each route direction, each as an independent sign installation."*

COST:

One sign up to 186" wide x 60" tall will be located on O'Malley Road near the Old Seward Highway. Cost is \$10.0.

One sign up to 120" wide x 42" tall will be located near 15th Avenue and Minnesota Drive. Cost is \$5.0.

Estimate materials = \$15.0 for both signs.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSHB 193(FIN)
Fiscal Note Number:	3
(H) Publish Date:	4/8/2013

Identifier: HB193CS(FIN)-DOR-TAX-04-07-13
Title: MUNICIPAL TAXATION OF TOBACCO
PRODUCTS
Sponsor: PRUITT
Requester: (H) Finance

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	80.4		80.4	80.4	80.4	80.4	80.4
Travel							
Services	4.7		4.7	4.7	4.7	4.7	4.7
Commodities	50.0		50.0	50.0	50.0	50.0	50.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	135.1	0.0	135.1	135.1	135.1	135.1	135.1

Fund Source (Operating Only)

1108 Stat Desig	135.1		135.1	135.1	135.1	135.1	135.1
Total	135.1	0.0	135.1	135.1	135.1	135.1	135.1

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/13

Why this fiscal note differs from previous version:

Revised fiscal note changes the fund source from GF to SDPR to reflect that the Department may be reimbursed by a municipality the costs incurred by the Department for administering the municipality's cigarette tax stamp. SDPR limits the use of payments by municipalities to the costs of providing state services.

Prepared By: Co-Chair Representative Austerman
House Finance Committee
Co-Chair Representative Stoltze
House Finance Committee

Phone: (907)465-6258
Date: 04/07/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/08/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 193 (FIN)

Analysis

Bill Language:

This bill would allow the department to share taxpayer information with local governments, but only if the local government maintains the confidentiality of the information and has similar provisions within their respective codes and ordinances that allow them to share information with the department. The information could only be used for tax purposes. This bill would also allow the department to enter into agreements with municipalities to conduct joint audits of cigarette taxpayers and also to enter into agreements whereby the department could sell cigarette tax stamps and collect cigarette tax revenue on behalf of a municipality if the municipality adopts a cigarette tax stamp as the mechanism for collecting cigarette taxes. This bill will allow the department to be reimbursed by a municipality for the costs associated with selling a municipality's tax stamp and collecting the municipality's cigarette tax revenue.

Revenues:

There would be no change in Alaska's cigarette tax revenues as a result of this legislation.

Expenditures:

The department believes that it would need an additional Tax Technician III position at a cost of \$80,400 each year to track the sale of cigarette tax stamps for municipalities that may wish to collect their tax through the use of a tax stamp. The department would also see additional services costs in the amount of \$4,700 each year for support services for the one new position and up to \$50,000 each year in additional costs to purchase cigarette tax stamps. These costs can be recouped from the municipalities. Therefore, total additional expense to the state as a result of this legislation would be zero.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SB 2
Fiscal Note Number:	3
(H) Publish Date:	4/11/2013

Identifier: SB002-DNR-MLW-4-10-13
Title: INTERSTATE MINING COMPACT &
COMMISSION
Sponsor: GIESSEL
Requester: House Finance Committee

Department: Department of Natural Resources
Appropriation: Land & Water Resources
Allocation: Mining, Land & Water
OMB Component Number: 3002

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel	15.0		15.0	15.0	15.0	15.0	15.0
Services	40.0		40.0	40.0	40.0	40.0	40.0
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	55.0	0.0	55.0	55.0	55.0	55.0	55.0

Fund Source (Operating Only)

1004 Gen Fund	55.0		55.0	55.0	55.0	55.0	55.0
Total	55.0	0.0	55.0	55.0	55.0	55.0	55.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version:

Revised Fiscal Note. The House Finance Committee decreased the travel budget by \$5.0

Prepared By: Co-Chair Representative Austerman
House Finance Committee
Co-Chair Representative Stoltze
House Finance Committee

Phone: (907)465-6258
Date: 04/10/2013

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/11/2013

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 2

Analysis

This bill would authorize Alaska to join and participate in the Interstate Mining Compact Commission (IMCC). This fiscal note has two components: annual membership and travel.

Membership Dues:

Membership in the commission requires annual dues paid by each party state. The amount of dues to be paid by each party state is covered under Article VII of the Compact and Bylaws. There are currently 19 member states; Alaska's addition would bring that total to 20.

Specifically, each party state is required to pay one half of the commission's annual budget, in equal shares. With Alaska as a member, Alaska's portion would be 1/20th of half the annual budget. If additional states become full members of the IMCC, Alaska's portion would change accordingly. The other half of the annual budget is also paid by the member states but is paid in proportion to the value of the minerals, ores and other solid matter mined in each member state.

DNR estimates that Alaska's share for dues in the first membership-year will be approximately \$40.0. This amount will fluctuate in future years based on the amount of the commission's annual budget and the value of the minerals, ores and other solid matter mined in Alaska annually. This value is based on national valuation reports prepared by the United States Geological Survey (USGS) for non-coal minerals and the federal Energy Information Administration (EIA) for coal to ensure impartial uniformity assessment of mining data. If the annual dues are significantly higher than \$40.0, DNR may request supplemental funding in that year.

Travel costs:

Full membership in the IMCC entails greater participation by member states. Membership and participation in the Interstate Mining Compact Commission will require two or more trips per year by the Commissioner, department staff, and possibly other representatives of the Governor's office. The department estimates \$20.0 per year for this expense.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SB 16
Fiscal Note Number:	2
(S) Publish Date:	3/6/2013

Identifier: SB016-DCCED-CBPL-03-06-13
Title: BD OF ARCHITECTS, ENGINEERS,
SURVEYORS
Sponsor: GIESSEL BY REQUEST
Requester: Senate Finance

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	90.9		90.9	90.9	90.9	90.9	90.9
Travel	2.3		2.3	2.3	2.3	2.3	2.3
Services	15.5		15.5	15.5	15.5	15.5	15.5
Commodities	6.8		1.8	1.8	1.8	1.8	1.8
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	115.5	0.0	110.5	110.5	110.5	110.5	110.5

Fund Source (Operating Only)

1156 Rcpt Svcs	115.5		110.5	110.5	110.5	110.5	110.5
Total	115.5	0.0	110.5	110.5	110.5	110.5	110.5

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues	115.5		110.5	110.5	110.5	110.5	110.5
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This version updates the Change in Revenues to reflect the amount collected in licensing fees.

Prepared By: Don Habeger, Director
Division: Corporations, Business and Professional Licensing
Approved By: Ellen Hanrahan, Director
Administrative Service Division

Phone: (907)465-2538
Date: 03/06/2013 07:15 AM
Date: 03/06/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 03/06/2013

REPORTED OUT OF
HFC 04/10/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 16

Analysis

SB16 increases the number of employees supporting the Board of Architects, Engineers, and Land Surveyors (AELS) in their investigative activities. It places into statute the requirement of a dedicated investigator.

Personal Services consists of one full-time Investigator III position, Range 18 to conduct investigations into alleged violations and will be directly responsible and accountable to the board.

Travel costs are based on average travel costs for investigators to conduct onsite investigations.

Services costs include 10.0 for core services RSA's and an additional 5.5 is included for legal, and hearing/mediation costs.

Supply costs include 5.0 for one time start up costs for a computer, office furniture, and other one-time needs and 1.8 for ongoing office supply needs.

As the program is required to cover costs with licensing fees under 08.01.065, the increased costs will be paid for by an increase in fees.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	HCS CSSB 21(FIN)
Fiscal Note Number:	14
(H) Publish Date:	4/12/2013

Identifier: SB021HCSCS(FIN)-DOR-TAX-04-11-13
Title: OIL AND GAS PRODUCTION TAX
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: (H) Finance

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services	100.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	100.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund	100.0						
Total	100.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	***	***	***	***	***	***	***
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/14

Why this fiscal note differs from previous version:

This version updates the fiscal note based on the House Finance committee substitute.

Prepared By: Cherie Nienhuis, Ed King and Dan Stickel
Division: Tax Division
Approved By: Bryan D. Butcher, Commissioner
Department of Revenue

Phone: (907)269-1019
Date: 04/11/2013 10:30 PM
Date: 04/11/13

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS CSSB021(FIN)

Analysis

Operating expenditures: This bill makes changes to the tax credits under the production tax system. For leases or properties that contain land that is north of 68 degrees North latitude, the following changes are made: (1) Credits for qualified capital expenditures are limited to expenditures incurred before January 1, 2014; (2) beginning January 1, 2014, the rate for credits earned for net operating losses increases to 45% of the loss; (3) beginning January 1, 2016, the rate for credits earned for net operating losses decreases to 35% of the loss. The operating portion of the long-term fiscal plan anticipates an average of \$400 million in refundable credits through 2023. It is anticipated that the changes in this bill would impact those future appropriations, beginning in FY 2015.

The change to the interest rate for delinquent taxes is expected to require changes to the department's tax accounting systems to accommodate the changes, requiring a one-time appropriation of \$100,000 in FY14 for contractor costs.

Regulations: The bill does not direct DOR to adopt new regulations to implement its provisions, but existing regulations may need to be reviewed and amended. There may be additional regulations required, but not before January 1, 2014.

*****The revenue impact of this bill is an estimate based on the Spring 2013 Forecast.**

This bill makes several changes to the oil and gas production tax system. Each of the major changes, along with its potential revenue impact, is discussed separately below. The effective date of each of the bill's provisions listed below is assumed to be January 1, 2014 with the exception of provision 6, which is effective for expenditures beginning January 1, 2013.

1. The progressive portion of the production tax at AS 43.55.011(g) is repealed. Based on our Spring 2013 forecast, this change decreases production tax revenue over the forecast period analyzed. Please see detailed summary table on page 4 of this fiscal note.

2. The production tax rate under AS 43.55.011(e) has been increased to a tax rate of 35% of production tax value. Based on our Spring 2013 forecast, this change increases production tax revenue over the forecast period analyzed from this portion of the tax. Please see detailed summary table on page 4 of this fiscal note.

3. Production tax credits under AS 43.55.023(a) for qualified capital expenditures are limited to expenditures incurred before January 1, 2014 on leases or properties that contain land north of 68 degrees North latitude. Based on our Spring 2013 forecast, this change increases production tax revenue annually over the forecast period analyzed. Please see detailed summary table on page 4 of this fiscal note.

4. Companies that incur net losses from leases or properties that contain land north of 68 degrees North latitude will earn a credit of 45% of those losses; on January 1, 2016, the credits for these losses changes to 35%. These losses are transferable and eligible for refund by the state. The impact of this provision is on the operating budget and is expected to increase credit refunds appropriated through the operating budget by approximately \$80 million per year over the amount anticipated under current law for CY 2014 and CY 2015 (shown in FY 2015 and FY 2016), decreasing to \$40 million per year over the amount anticipated under current law in the following years.

5. A gross revenue exclusion (GRE) of 20% of the gross value at the point of production is applicable to production from certain areas with an additional 10% GRE available to a limited amount of that production. The GRE applies to oil or gas production from wells north of 68 degrees North Latitude that meet one or more of the following criteria: (1) is produced within a lease or property that does not contain a lease that was within a unit on January 1, 2003; (2) is produced within a participating area established after December 31, 2011, in a unit formed before January 1, 2003, if the participating area does not contain a reservoir that had been in a participating area established before December 31, 2011; (3) is produced from acreage that was added to an existing participating area by the Department of Natural Resources on or after January 1, 2014, and the producer demonstrates that the volume of oil or gas produced is from acreage added to an existing participating area. **Production that qualifies for (1) of this provision may also qualify for an additional 10% GRE if the production comes from a unit which is comprised entirely of leases greater than 12.5% royalty.** Please see detailed summary table on page 4 of this fiscal note for revenue impacts of this provision.

6. The provision requiring that credits be taken over two years is eliminated. This provision would result in companies using credits earlier than they would without this change, and except for the time value of money impact, it is revenue neutral. This provision applies to expenditures after December 31, 2012.

Analysis Continued

7. The community revenue sharing fund is amended to allow the legislature to make an appropriation from the state corporate income tax under AS 43.20 as opposed to tying the appropriation to revenue collected under AS 43.55.011(g). This provision has no revenue impact under our Spring 2013 forecast.

8. A credit of \$5 per taxable barrel may be applied against a producer's production tax liability for oil produced from GRE-eligible areas. This credit cannot be transferred, carried forward, or used to reduce the producer's tax liability to less than zero. Please see detailed summary table on page 4 of this fiscal note for the revenue impact of this provision.

9. A sliding scale credit ranging from zero to \$8 per taxable barrel may be applied against a producer's production tax liability for areas not eligible for a GRE. The sliding scale credit is a dollar-per-taxable-barrel credit ranging from zero dollars per barrel at per-barrel GVPP values greater than \$150 to \$8 per barrel at per-barrel GVPP values less than \$80. The credit cannot be transferred, carried forward, or used to reduce the producer's tax liability to less than zero. The credit may not reduce the producer's tax liability to less than the minimum tax established under AS 43.55.011(f). Please see detailed summary table on page 4 of this fiscal note for the revenue impact of this provision.

10. A credit of 10% of qualified oil and gas industry service expenditures may be applied to tax liabilities under AS 43.20 in amounts up to \$10 million per taxpayer per year. The credit applies to qualified oil and gas service expenditures that are for in-state manufacture or in-state modification of oil and gas tangible personal property with a service life of 3 years or more. The credit is not transferable, however, any amount of the credit that exceeds the taxpayer's liability under AS 43.20 may be carried forward for up to five years. We have no data with which to quantify the revenue impact of this provision, although it is possible that the impact may be as high as -\$25 million per year. The revenue impact of this provision is indeterminate.

11. The interest rate on delinquent taxes is changed from the greater of 5 percentage points above the annual rate of interest charged by the 12th Federal Reserve District or 11 percent, to 3 percentage points above the annual rate of interest charged by the 12th Federal Reserve District. There will be one-time contractor costs to implement this change in the DOR accounting system. Over the past five fiscal years (FY 2008-FY 2012), interest on delinquent taxes and refunds has resulted in a net positive revenue to the state. The average annual net revenue to the state in these years was \$26 million in revenue to the General Fund and \$71 million in revenue to the Constitutional Budget Reserve Fund. The Department of Revenue does not forecast interest on taxes. Over the time horizon of this fiscal note, this provision is estimated to impact state revenues in amounts up to -\$25 million per year. The impact will increase over time as more delinquent taxes are calculated under the new interest rates established with this provision. Our estimates do not take into account changes in taxpayer behavior as a result of this reduction in interest rate.

12. The 3-mile requirement for frontier basin tax credit under AS 43.55.025(m) is removed. The frontier basin credit is a credit of 80% of eligible expenses up to \$25 million per well for first 4 qualifying wells and a seismic basin credit of \$7.5 million or 80 percent, whichever is less. This bill removes the provision wells must be at least 3 miles from an existing well to qualify for the credit. This provision has no expected fiscal impact under the Spring 2013 forecast, as the forecast already assumes spending for the 4 eligible wells for the frontier basin credit will take place and credits will be issued.

13. The 4 percent gross tax ceiling for production of oil or gas outside the North Slope or Cook Inlet is extended. The sunset date for this provision is extended from January 1, 2022 to January 1, 2027. This provision has no expected fiscal impact under the Spring 2013 forecast, as it is beyond the time horizon of this fiscal note and we are not forecasting any qualifying production.

14. The exploration credit under AS 43.55.025(a)(1)-(4) is extended through January 1, 2022 for areas outside the North Slope and Cook Inlet. This is a refundable credit of 30% or 40% of eligible seismic and well exploration expenditures. This provision has an indeterminate fiscal impact.

15. An Oil and Gas Competitiveness Review Board is established in the Department of Revenue. The board will be tasked with collecting and evaluating data on oil and gas development and providing recommendations to the Legislature on proposed changes to improve the regulatory workforce infrastructure and fiscal systems of the state to improve Alaska's investment climate.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS CSSB021(FIN)

Analysis Continued

Provisions in HCS CSSB21(FIN) and their Estimated Fiscal Impact as compared to Spring 2013 Forecast (\$millions)¹

Brief Description of Provision	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
1. Elimination of progressive portion of tax	-\$725	-\$1,400	-\$1,725	-\$1,875	-\$1,650	-\$1,525
2. Base tax rate changed to 35% of production tax value	\$550	\$1,050	\$1,100	\$1,100	\$1,000	\$925
3. Limitation of credits for qualified capital expenditures for North Slope	\$300	\$675	\$650	\$525	\$475	\$450
4. Net operating loss credit rate increased to 45% until 1/1/16 then 35%; transferable and refundable	Minimal revenue impact - see "Impact on Operating Budget"					
5. Gross revenue exclusion for oil production in new units and new or expanded participating areas	\$0	\$0 to -\$25	-\$25 to -\$50	-\$25 to -\$50	-\$25 to -\$50	-\$50 to -\$75
6. Provision requiring credits be taken over 2 years eliminated ²	-\$225					
7. Amendment to the community revenue sharing fund	\$0	\$0	\$0	\$0	\$0	\$0
8. Credit of \$5 per taxable barrel for GRE-eligible oil production	-\$5	-\$10	-\$25	-\$25	-\$25	-\$25
9. Sliding scale \$0-\$8 credit per taxable barrel for non GRE-eligible production based on oil price	-\$420	-\$815	-\$750	-\$725	-\$675	-\$650
10. Credit under AS 43.20 for qualified oil and gas industry expenditures	Indeterminate (possibly up to -\$25 million annually)					
11. Reduced interest rate for late payments and assessments on most taxes	Indeterminate (possibly up to -\$25 million annually, increasing over time)					
12. Removal of 3-mile requirement for frontier basin tax credit	\$0	\$0	\$0	\$0	\$0	\$0
13. Extends limitation on tax rate for Middle Earth from 2022 to 2027	\$0	\$0	\$0	\$0	\$0	\$0
14. Extends credits under AS 43.55.025(a)(1)-(4) for Middle Earth from 2016 to 2022	Indeterminate					
15. Establishes Oil and Gas Competitiveness Review Board	No fiscal impact for Tax Division					
Total Revenue Impact	-\$520 to -\$570	-\$490 to -\$565	-\$750 to -\$825	-\$1000 to -\$1075	-\$875 to -\$950	-\$850 to -\$925
Impact on Operating Budget of provision requiring credits be taken over 2 years eliminated	-\$150					
Impact on Operating Budget of limitation to Qualified Capital Expenditure credit		\$150	\$150	\$150	\$150	\$150
Impact on Operating Budget of increase in Net Operating Loss credits to 45% until 1/1/16 then 35%		-\$80	-\$80	-\$40	-\$40	-\$40
Total Fiscal Impact - does not include potential revenue impacts from potential increases in production³	-\$670 to -\$720	-\$420 to -\$495	-\$680 to -\$755	-\$890 to -\$965	-\$765 to -\$840	-\$740 to -\$815

¹The impacts listed are based on production and prices as forecasted in our Spring 2013 revenue forecast. The forecasted oil prices are between \$109.61 and \$118.29. All data here are estimates; all figures have been rounded to reflect the uncertainty in the estimates.

²Provision 6 above, which eliminates the requirement that credits be taken over 2 years is revenue neutral, and simply shifts the tax liability from future years to FY 2014. The total impact of that provision is \$375 million, with \$225 million taken against tax liability as a revenue impact and \$150 million impacting the operating budget. The total fiscal impact consists of both revenue impacts and operating budget impacts of the bill.

³NOTE: "Total Fiscal Impact" includes best estimates of both revenue and operating budget impacts. Operating budget impact for FY 2014 represents additional refunded credits due to elimination of the provision requiring that credits be taken over 2 years. Operating budget impact for FY 2015 and beyond represents reduction in refunded credits due to limitation of credits for qualified capital expenditures for North Slope. This amount also includes increases in credit refunds paid through the operating budget for the increase in NOL credit rates.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS CSSB021(FIN)

Analysis Continued

Differences in General Fund Unrestricted Revenue under Proposed Bill from Current Tax System in \$Millions*

*Note: These hypothetical examples of additional production assess the impacts from the change in tax rates, per barrel allowance and gross revenue exclusions only and do not attempt to quantify impacts of other parts of the bill, such as the removal of the credit split, or the impact on the long-range budget from the elimination of QCE credits or changes to NOL credits. Values are generated from a scenario model and may vary slightly from other models.

At Forecasted Production

Oil Price in \$/barrel	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$90	-\$225	-\$150	-\$200	-\$325	-\$275	-\$400
\$100	-\$275	-\$250	-\$325	-\$475	-\$375	-\$450
\$120	-\$575	-\$800	-\$925	-\$1,125	-\$925	-\$925

All additional production scenarios below compare additional production under the proposed bill to ACES without the additional production.

Additional Production Scenario A

Forecasted production plus 50 million barrel field developed by a New Entrant

Oil Price in \$/barrel	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$90	-\$225	-\$150	-\$200	-\$325	-\$275	-\$375
\$100	-\$275	-\$250	-\$325	-\$475	-\$375	-\$425
\$120	-\$575	-\$800	-\$925	-\$1,100	-\$900	-\$900

Assumes field outside of a current unit and subject to 30% gross revenue exclusion, first oil in 2017 and peak production of 10,000 barrels per day in 2019. Total development cost of \$500 million.

Additional Production Scenario B

With addition of 4 oil rigs to legacy fields drilling from 2014-2019

Oil Price in \$/barrel	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$90	-\$175	\$50	\$125	\$50	\$225	\$25
\$100	-\$200	\$25	\$75	\$0	\$225	\$50
\$120	-\$475	-\$425	-\$400	-\$475	-\$125	-\$250

Assumes each oil rig drills 4 new production wells per year, with each well producing 1,000 barrels of oil per day beginning in FY 2014, with a maximum production rate of 60,000 barrels per day for a total of 140 million barrels. Development costs for each well assumed to be \$20 million. None of this oil is assumed to qualify for the GRE under the provisions of this bill.

Additional Production Scenario C

With new well pad and 4 additional rigs in legacy fields, plus new 10,000 bopd field starting in 2017

Oil Price in \$/barrel	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$90	-\$275	\$0	\$175	\$300	\$950	\$725
\$100	-\$300	\$0	\$200	\$350	\$1,100	\$925
\$120	-\$525	-\$350	-\$125	\$125	\$1,100	\$925

Assumes new well pad within major North Slope unit producing a total of 125 million barrels of new production over an 8-year period starting in 2014 at total development costs of \$5 billion, none of which is assumed to qualify for the GRE. Also includes scenario B above with 4 oil rigs in legacy fields and scenario A above with the addition of a new field.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	HCS CSSB 21(FIN)
Fiscal Note Number:	13
(H) Publish Date:	4/12/2013

Identifier: SB021HCSCS(FIN)-DOR-COMM-04-11-13
Title: OIL AND GAS PRODUCTION TAX
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: House Finance

Department: Department of Revenue
Appropriation: Administration and Support
Allocation: Commissioner's Office
OMB Component Number: 123

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services		157.8	157.8	157.8	157.8	157.8	157.8
Travel	4.6		4.6	4.6	4.6	4.6	4.6
Services							
Commodities	30.0		20.0	20.0	20.0	20.0	20.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	34.6	157.8	182.4	182.4	182.4	182.4	182.4

Fund Source (Operating Only)

1004 Gen Fund	34.6	157.8	182.4	182.4	182.4	182.4	182.4
Total	34.6	157.8	182.4	182.4	182.4	182.4	182.4

Positions

Full-time		1.0	1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

House Finance Committee substitute added language requiring an updated fiscal note from Revenue.

Prepared By: Jerry Burnett, and Alicia Egan
Division: Administrative Services
Approved By: Bryan D. Butcher, Commissioner
Department of Revenue

Phone: (907)465-2312
Date: 04/11/2013 11:30 PM
Date: 04/11/13

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS CSSB021(FIN)

Analysis

The bill establishes a nine member Oil and Gas Competitiveness Review Board, in the Department of Revenue, which is charged with: (1) establishing and maintaining a salient collection of information related to oil and gas exploration, development, and production in the state and related to tax structures, rates, and credits in other regions with oil and gas resources; (2) reviewing historical, current, and potential levels of investment in the state's oil and gas sector; (3) identifying factors that affect investment in oil and gas exploration, development, and production in the state, including tax structure, rates, and credits, royalty requirements, infrastructure, workforce availability, and regulatory requirements; and (4) reviewing the competitive position of the state to attract and maintain investment in the oil and gas sector in the state as compared to the competitive position of other regions with oil and gas resources.

The board is charged with establishing procedures to accept and keep confidential information, including the creation of a secure data room. The Board shall meet at least once per year.

The board is charged with making two written reports to the Legislature. The first report, due by January 31, 2015, or as soon thereafter as practical, focuses on regulatory issues, labor issues, infrastructure issues, and fiscal regime competitiveness. The second report, due by January 31, 2021, or as soon thereafter as practical, focuses on changes to the state's fiscal regime that would increase investment, alternative means of supporting investment, and a review of the effectiveness and future value of provisions that are expiring in the next five years.

To accomplish these tasks the Department would use existing professional staff, primarily the Oil and Gas Program Coordinator currently in the Commissioner's Office, and funding to provide board meeting and travel, space and overhead costs associated with the data room.

The fiscal note assumes one board meeting per year.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	HCS CSSB 23(FIN)
Fiscal Note Number:	6
(H) Publish Date:	4/8/2013

Identifier: SB023CS(FIN)-DCCED-AIDEA-04-05-13
Title: AIDEA: LNG PROJECT; DIVIDENDS; FINANCING
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: House Finance

Department: Department of Commerce, Community and
Economic Development
Appropriation: Alaska Industrial Development and Export
Authority
Allocation: Alaska Industrial Development and Export
Authority
OMB Component Number: 1234

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services	950.0		650.0	450.0	350.0	150.0	150.0
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	950.0	0.0	650.0	450.0	350.0	150.0	150.0

Fund Source (Operating Only)

1102 AIDEA Rcpt	950.0		650.0	450.0	350.0	150.0	150.0
Total	950.0	0.0	650.0	450.0	350.0	150.0	150.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	0.0		0.0	225.0	375.0	1,506.3	2,567.3
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 50,000.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?

Yes

If yes, by what date are the regulations to be adopted, amended or repealed?

12/01/13

Why this fiscal note differs from previous version:

This fiscal note is updated to reflect the changes made by House Finance to version R to include both the Interior Energy Plan and Direct Financing.

Prepared By: Ted Leonard, Executive Director
Division: Alaska Industrial Development and Export Authority
Approved By: Ellen Hanrahan, Director
Administrative Services Division

Phone: (907)771-3000
Date: 04/05/2013 06:45 PM
Date: 04/05/13

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 23

Analysis

SB 23 has three distinct purposes related to AIDEA programs:

DIRECT FINANCING

This bill allows the Alaska Industrial Development and Export Authority (AIDEA) the ability to provide project financing for all or a portion of the cost of a development project which the authority does not intend to own or operate. At present, AIDEA is permitted to own or operate all or part of a project, but cannot make a direct loan on a project or guarantee a loan for a project. This bill would permit the authority to engage in project financing by loaning money to a project or guaranteeing a loan for a project rather than owning an interest in the project.

Funding for FY 2014 includes a one-time cost of 50.0 for consultants to assist in the preparation of new regulations necessary to implement a direct financing program and 150.0 to hire consultants and counsel to assist in underwriting loans and guarantees under this program. It is projected that this 150.0 in underwriting expenditures will be on-going.

The revenues projected to be earned from direct loan and guarantee finance packages are approximately 1.4 million. The direct loan and guarantee program will generate earnings on financing of development projects. The amount that AIDEA can charge for each direct financing is limited, but the overall anticipated returns are projected to be substantial due to the large dollar amounts involved with the type of projects that will be financed through the Direct Finance Program.

AIDEA TECHNICAL CHANGE

This bill makes a technical change in AS 44.88.088 to accommodate changes required by the Governmental Accounting Standards Board (GASB) to the Authority's audited financial statements. The calculation method for AIDEA's dividend will not change and no fiscal impact is expected.

INTERIOR ENERGY PLAN

This bill provides AIDEA financing in support of the Energy Plan. Specifically, SB 23 authorizes AIDEA to provide up to \$275 million in financing for a natural gas liquefaction plant and affiliated infrastructure on the North Slope, as well as providing for the financing of liquid natural gas (LNG) distribution systems under the sustainable energy transmission and supply fund (SETS) established under AIDEA.

This financing authorized under this bill includes: 1) authorization for AIDEA to provide financing through the issuance of up to \$150 million in bonds for the project, with the bonds to be secured by a capital reserve fund and 2) authorization for AIDEA to provide direct financing of \$125 million out of the money provided through the amended operating budget for the SETS fund. To help ensure lower energy rates for Alaskans are achieved, the bill limits the interest rates that AIDEA can charge for direct SETS financing at 3%.

In FY 2014, 750.0 is needed for contractual services to coordinate project partners, complete the financing agreements to fund the LNG project, and perform technical evaluations on project proposals. AIDEA projects that the administrative expenses for project construction management oversight for the LNG production and distribution system will require an additional 500.0 in FY 2015, 300.0 in FY 2016, and 200.0 in FY 2017.

(Continued on page 3)

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 23

Analysis Continued

The administrative expense of project construction management will be offset by AIDEA's income stream allowed under Sec. 10 (c) of SB23. AIDEA estimates the annual income stream from the 25 basis point allowance will generate 375.0 in the first year with that number decreasing in subsequent years to approximately 252.0 five years out.

The Change in Revenues reflect General Fund revenues to the state generated from AIDEA dividends. AIDEA Dividend is calculated from "base year" which is two years prior to current year, for example: FY 16 dividend calculation will be based on FY 14 revenues.

The entire \$355 million financing plan for the Interior Energy plan includes:

\$50 million appropriation to AIDEA (provided in the capital budget), \$125 million from SETS direct financing (provided in the amended operating budget), \$150 million in bond proceeds from bond authorization provided in this legislation, and \$30 million in natural gas storage credits (provided in previously passed legislation.)

Attached is a spreadsheet that provides a comprehensive summary of the fiscal impact of SB 23.

Fiscal Notes for SB23 (AIDEA: LNG Projects; Dividends; Financing)							
Direct Financing (Not related to Interior Energy Plan)							
	FY14	FY15	FY16	FY17	FY18	FY19	
Cost to AIDEA							
AIDEA Receipts	200	150	150	150	150	150	
Preparation of regulations	50	-	-	-	-	-	
Underwriting (includes 200.0 operating request)	150	150	150	150	150	150	
SETS Fund	-	-	-	-	-	-	
GF Cost	-	-	-	-	-	-	
Revenue to AIDEA	1,400.0	1,400.0	1,400.0	1,400.0	1,400.0	1,400.0	
GF Revenue (Dividends to State - impact for FY 16 from FY 14 revenues)			600	625	625	625	
Gas Plant and Storage							
	FY14	FY15	FY16	FY17	FY18	FY19	
Cost to AIDEA	750	500	300	200	-	-	
Coordination and evaluation	750	-	-	-	-	-	
Construction management		500	300	200	-	-	
GF Cost	175,000	-	-	-	-	-	
Capital Appropriation for Equity Stake	50,000						
Capitalize SETS Fund	125,000						
Revenue to AIDEA	-	-	1,875	3,711	3,631	3,548	
Interest on Direct Financing of Interior Energy Plan (SETS)		-	1,875.0	3,710.5	3,630.5	3,548.0	
GF Revenue (Dividends to State - impact for FY 16 from FY 14 revenues)			(375)	(250)	788	1,755	
Transmission and Distribution (Debt Service on \$150m bonds issued at 3% for 30 years, with payments delayed until FY16)							
	FY14	FY15	FY16	FY17	FY18	FY19	
Cost to AIDEA	-	-	-	-	-	-	
AIDEA Receipts			-	-	-	-	
SETS Fund	-	-	-	-	-	-	
GF Cost	-	-	-	-	-	-	
Revenue to AIDEA	-	-	188	374	371	369	
AIDEA Receipts (Administrative fee added to bond interest rate)	-	-	188	374	371	369	
GF Revenue (Dividends to State - impact for FY 16 from FY 14 revenues)	-	-	-	-	94	187	
Private Investment (\$70m for 9BCF plant--expansion will be fully funded by additional private investment)							
	FY14	FY15	FY16	FY17	FY18	FY19	
	70,000	-	-	-	-	-	
Summary							
	FY14	FY15	FY16	FY17	FY18	FY19	FY14-FY19
GF Cost	175,000	-	-	-	-	-	175,000
Capitalize SETS Fund (SETS Fund Capitalization Note)	125,000	-	-	-	-	-	125,000
Capital Appropriation for Equity Stake (AIDEA Note)	50,000	-	-	-	-	-	50,000
AIDEA Cost							
Direct Financing (AIDEA Note)	950	650	450	350	150	150	2,700
AIDEA Revenue (AIDEA Note-analysis only)	1,400	1,400	3,463	5,485	5,402	5,317	22,465
AIDEA Receipts	1,400	1,400	1,588	1,774	1,771	1,769	9,701
SETS Fund	-	-	1,875	3,711	3,631	3,548	12,764
GF Revenue-Dividends to State (AIDEA Note)	-	-	225	375	1,506	2,567	4,674
Fiscal Notes							
	FY14	FY15	FY16	FY17	FY18	FY19	FY14-FY19
AIDEA							
Direct Financing (AIDEA Receipts)	950.0	650.0	450.0	350.0	150.0	150.0	2,700.0
GF Revenue-Dividends to State (GF)	-	-	225.0	375.0	1,506.3	2,567.3	4,673.5
Capitalize SETS Fund (GF)	125,000.0	-	-	-	-	-	125,000.0
Capital Appropriation for Equity Stake (GF)	50,000.0	-	-	-	-	-	50,000.0
Total Costs	175,950.0	650.0	450.0	350.0	150.0	150.0	177,700.0
Total GF Revenue Impact	-	-	225.0	375.0	1,506.3	2,567.3	4,673.5

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	HCS SB 24(TRA)
Fiscal Note Number:	2
(H) Publish Date:	4/11/2013

Identifier: HCSSB024-DOT-MVO-4-8-13
Title: MARINE TRANSPORTATION ADVISORY BOARD
Sponsor: STEVENS
Requester: House Finance Committee

Department: Department of Transportation and Public Facilities
Appropriation: Marine Highway System
Allocation: Marine Vessel Operations
OMB Component Number: 2604

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel	2.5		2.5	2.5	2.5	2.5	2.5
Services	0.5		0.5	0.5	0.5	0.5	0.5
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	3.0	0.0	3.0	3.0	3.0	3.0	3.0

Fund Source (Operating Only)

1004 Gen Fund	3.0		3.0	3.0	3.0	3.0	3.0
Total	3.0	0.0	3.0	3.0	3.0	3.0	3.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

The analysis reflects the house committee substitute language. There are no changes to expenditures.

Prepared By: Connie McKenzie
Division: Office of the Commissioner
Approved By: Mary Siroky
Administrative Services Director

Phone: (907)465-4772
Date: 04/07/2013 09:30 AM
Date: 04/07/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/10/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. HCS SB24

Analysis

The Marine Transportation Advisory Board (MTAB) currently consists of 11 members. The Legislature proposes adding one additional member to the MTAB to represent Southcentral Alaska. The bill also changes the qualifications of one existing board member from a retired marine captain or marine engineer to a marine captain or marine engineer with 20 or more years of experience.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SB 27
Fiscal Note Number:	1
(S) Publish Date:	1/18/2013

Identifier: LL0750-DEC-WQ-01-17-13
Title: REGULATION OF DREDGE AND FILL
ACTIVITIES
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Environmental Conservation
Appropriation: Water
Allocation: Water Quality
OMB Component Number: 2062

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	495.4		883.5	883.5	883.5	883.5	883.5
Travel	22.3		37.6	35.2	35.2	35.2	35.2
Services	879.5		908.2	902.2	902.2	902.2	902.2
Commodities	37.5		25.0	4.0	4.0	10.5	7.9
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	1,434.7	0.0	1,854.3	1,824.9	1,824.9	1,831.4	1,828.8

Fund Source (Operating Only)

1004 Gen Fund	1,434.7		1,854.3	1,824.9	1,824.9	1,831.4	1,828.8
Total	1,434.7	0.0	1,854.3	1,824.9	1,824.9	1,831.4	1,828.8

Positions

Full-time	5.0		8.0	8.0	8.0	8.0	8.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/15

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: Michelle Bonnet Hale, Director
Division: Water
Approved By: Lynn Kent
Deputy Commissioner, Dept. of Environmental Conservation

Phone: (907)269-7599
Date: 01/11/2013 01:01 PM
Date: 01/11/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFO 02/27/2013

REPORTED OUT OF
HFC 04/12/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. LL0750

Analysis

Analysis/Assumptions:

Assumption of the Federal Clean Water Act Section 404 dredge and fill permitting program would allow the state to create streamlined processes for more efficient permit issuance, and to reduce redundancy between federal and state programs. Amended and new regulations will be required to comport with federal regulations to implement the 404 program. By the FY 16 budget cycle, there will be a decision point regarding whether to advance with the primacy effort and, if so, the pace of that effort. FY16 and beyond costs assume continued progress leading to a successful application approved by the Environmental Protection Agency, followed by full implementation of the program; these costs may change depending upon progress in FY14 and FY15 and a full analysis of the costs to implement the program. After FY16 and program approval some costs will be offset by program receipts.

FY14

Personal Services:

Three permanent positions for "program development" and to manage a workgroup of permittees that will assist in the analysis of 404 primacy and provide the state with recommendations about primacy; evaluate benefits and consequences of state primacy; conduct a fiscal analysis of the resource needs for state primacy; establish agreements with the EPA and the Corps that include a workplan, timeline, responsibilities, and requirements for the process to obtain state primacy; establish and manage contractor assistance to conduct a gap analysis and draft initial statutes and regulations for program implementation; develop work plan; begin development of program description; apply for wetlands program development grant from EPA; and develop a communications plan. Two permanent positions for "capacity development" to build the State's knowledge and capability in the 404 permit program; to negotiate with the Corps one or more statewide programmatic general permits that allow the State to implement small, targeted portions of the 404 program; and to establish a workshare agreement with the Corps for sharing staff resources. New positions: Project Coordinator (Anchorage, XE, 23C); Environmental Program Specialist IV (Anchorage, GG, Range 20C); Two Environmental Program Specialists III (Anchorage, GG, Range 18C); One Engineer I (Anchorage, GG, Range 22C). Three positions for 10 months to ramp-up of program.

Travel:

Travel is for workgroup and stakeholder meetings; meetings with EPA Region 10 and Headquarters and the Corps Alaska District and Headquarters; and staff training.

Services:

Position support costs, indirect, and public notices for workgroup meetings.

-- \$300.0 professional services contractor assistance for statutory gap analysis, draft regulations, assistance with primacy analysis; workgroup report; and assistance with drafting primacy application.

-- \$187.50 RSA to Department of Law to assist with the Department's and workgroup's legal questions; legal assistance with Department's preparation of a primacy application, including preparation of an Attorney General's statement; legal assistance with statutes and regulations; negotiations with EPA and the Corps; and potential appeals and judicial challenges relating to federal approval of the state's primacy application.

-- \$361.8 RSA to Department of Natural Resources for positions to participate with DEC in the program development tasks, including the analysis of the division of duties between agencies under primacy and development of a mitigation program required of State programs; and two positions for State program capacity development in wetlands jurisdictional determinations and permitting procedures.

Commodities:

Position support costs, including furniture and computers (one-time costs for new positions); standard office supplies.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. LL0750

Analysis Continued

FY2015

Personal Services:

Five positions established in FY2014 will continue with program development tasks including adopting regulations; negotiating primacy MOUs with the EPA, the Corps and the U.S. Fish and Wildlife Service; developing program forms and guidance; continuing to manage a workgroup of permittees that will assist in designing a State program; ongoing negotiations with the EPA and the Corps; managing contractor assistance with development of the program description; applying for wetlands program development grant from EPA; and revising and implementing the communications plan. Three new positions in FY2015 will continue to develop the State's program capacity to issue and manage permits and to ensure compliance with permit conditions; implement statewide programmatic general permits that allow the state to implement targeted portions of the 404 program; implement data systems that provide automation of permits; and participate in a workshare agreement with the Corps for sharing staff resources. Three new positions will be established in FY15: Analyst Programmer IV (Juneau, GG, Range 20C); Engineer Associate II (Anchorage, GG, Range 21C); EPS III (Anchorage, GG, Range 18C). All positions for 12 months.

Travel:

Travel for workgroup/stakeholder meetings; meetings with EPA Region 10 and Headquarters and the Corps Alaska District and Headquarters; staff training; and field work for wetlands jurisdictional determinations and permittee inspections.

Services:

Position support costs for existing new positions, indirect, and public notice for workgroup meetings and draft regulations.

-- \$100.0 professional services contractor assistance for statutory gap analysis, draft regulations, assistance with primacy analysis; workgroup report; and assistance with drafting primacy application. New and amended regulations may be adopted by the end of FY2015. New regulations are required to be adopted to implement the federal program. Amended regulations may be necessary to align existing state regulations with program requirements.

-- \$187.50 RSA to Department of Law to assist with the Department's and workgroup's legal questions; legal assistance with Department's preparation of a primacy application, including preparation of an Attorney General's statement; legal assistance with statutes and regulations; negotiations with EPA and the Corps; and potential appeals and judicial challenges relating to federal approval of the state's primacy application.

-- \$566.7 RSA to Department of Natural Resources (DNR) for positions to participate with DEC in the program development tasks, including development of a mitigation program required of State programs and four positions for State program capacity development in permitting procedures.

Commodities:

Position support costs, including furniture and computers for three new positions (one-time costs for new positions); deletion of FY2014 one-time costs for furniture and computers; ongoing standard office supplies.

FY2016 and Beyond

By the FY16 budget cycle, there will be a decision point regarding whether to advance with the primacy effort and, if so, the pace of that effort. The fiscal note assumes a baseline budget to continue with primacy application efforts and some capacity development work; however, there will be a future determination about the pace of "ramping up" to the full program resources to implement the 404 program under primacy. Once the state assumes primacy, all but 2-3 of the program development positions will transition to program implementation (permitting, inspections, compliance, mitigation, recordkeeping, federal reporting).

Services:

RSA with DOL continues. Once primacy is approved, estimated to be in year 4 or 5, efforts by the DOL will shift to counseling the agencies on implementation of the primacy program, and the nature of Law's work will likely vary based upon the specific projects and dredge and fill permit applications that need state approval. RSA with DNR continues.

Commodities:

Reflects the reduction of FY15 one-time costs for furniture and computers for three positions, computer replacements in FY18 (five positions) and FY19 (three positions).

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SB 27
Fiscal Note Number:	2
(S) Publish Date:	1/18/2013

Identifier: LL0750-DNR-OPMP-1-14-13
Title: REGULATION OF DREDGE AND FILL
ACTIVITIES
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Natural Resources
Appropriation: Administration & Support Services
Allocation: Office of Project Management & Permitting
OMB Component Number: 2733

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	231.4		425.6	425.6	425.6	425.6	425.6
Travel	9.4		14.1	14.1	14.1	14.1	14.1
Services	111.0		122.0	122.0	122.0	122.0	122.0
Commodities	10.0		5.0				
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	361.8	0.0	566.7	561.7	561.7	561.7	561.7

Fund Source (Operating Only)

1007 I/A Rcpts	361.8		566.7	561.7	561.7	561.7	561.7
Total	361.8	0.0	566.7	561.7	561.7	561.7	561.7

Positions

Full-time	2.0		4.0	4.0	4.0	4.0	4.0
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version:

Initial version, not applicable

Prepared By: Ed Fogels, Deputy Commissioner
Division: Commissioner's Office
Approved By: Daniel S. Sullivan, Commissioner
Department of Natural Resources

Phone: (907)269-8423
Date: 01/05/2013 10:30 AM
Date: 01/14/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
SFC 02/27/2013

REPORTED OUT OF
HFC 04/12/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. LL0750

Analysis

This bill provides the Department of Natural Resources (DNR), in coordination with the Department of Environmental Conservation (DEC), the authority to take actions necessary to administer and enforce any dredge and fill permitting program allowed under 33 U.S.C. 1344 (sec. 404, Clean Water Act).

FY 14

Personal Services - DNR will receive interagency receipts from DEC to fund positions needed to assist DEC in its analysis of state assumption of the CWA Section 404 ("404 program"). The Office of Project Management and Permitting will require 2 new positions: one project coordinator to participate with DEC in the program development tasks, including the analysis of the division of duties between agencies under primacy and development of a mitigation program required of State programs; and one position for State program capacity development in wetlands jurisdictional determinations and permitting procedures. Capacity development will allow DNR to pursue development and administration of regional general permits for some classes of activities, resulting in more state control over 404 permitting during the interim period before the state obtains 404 primacy.

One Project Coordinator (Anchorage, XE, Range 23C) \$134,298

One Natural Resource Specialist III (Anchorage, GG, Range 18C) \$97,108

Travel - Travel costs will be incurred for attending DEC work group and stakeholder meetings, meetings with EPA Region 10 and US Army Corps of Engineers Headquarters staff, and for staff training opportunities.

Services - Contractual costs will be incurred for hiring consultants to assist the state in designing regional general permits and other capacity building. The intent of this capacity building will be to improve the efficiency of 404 permitting in Alaska even prior to the state obtaining 404 primacy.

Commodities - Position support costs, including furniture and computers (one-time costs for new positions); standard office supplies.

FY 15

Personal Services - DNR will receive interagency receipts from DEC to fund positions needed to assist DEC in state assumption of the CWA Section 404 ("404 program"). The Office of Project Management and Permitting will require two additional positions to assist in State program capacity development in permitting procedures. The Project Coordinator will continue to help in the program development tasks, including development of a mitigation program required of State programs.

Two positions established in FY2014

Two Natural Resource Specialist III (Anchorage, GG, Range 18C) \$97,108 each

Travel - Travel costs will be incurred for attending DEC work group and stakeholder meetings, meetings with EPA Region 10 and US Army Corps of Engineers Headquarters staff, and for staff training opportunities.

Services - Contractual costs will be incurred for hiring consultants to assist the state in designing regional general permits and other capacity building.

Commodities - Position support costs, including furniture and computers (one-time costs for new positions); standard office supplies.

Associated Regulations: DNR does not anticipate any regulation changes to our department's regulations at this time. However, as the evaluation of the 404 primacy program develops, we may identify changes to DNR regulations in future years.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 47
Fiscal Note Number: _____
() Publish Date: _____

Identifier: CSSSSB047-EED-K12-4-12-13
Title: DISTRICT OPERATED BOARDING SCHOOLS
Sponsor: COGHILL
Requester: House Finance Committee

Department: Department of Education and Early Development
Appropriation: K-12 Support
Allocation: Boarding Home Grants
OMB Component Number: 148

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7
Miscellaneous							
Total Operating	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7

Fund Source (Operating Only)

1004 Gen Fund	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7
Total	1,660.7	2,088.8	1,660.7	1,660.7	1,660.7	1,660.7	1,660.7

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 03/01/14

Why this fiscal note differs from previous version:

This fiscal note changed from the prior version by amending the per pupil monthly stipend rate to 2x the current rate in law.

Prepared By: Elizabeth Nudelman, Director
Division: School Finance & Facilities
Approved By: Mike Hanley
Commissioner

Phone: (907)465-8697
Date: 04/12/2013 01:00 PM
Date: 04/12/13

APPROVED BY
CONFERENCE
COMMITTEE

REPORTED OUT OF
HFC 04/12/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSSSSB47

Analysis

The legislation amends AS 14.16.200, State funding for districts operating statewide residential educational programs and would take effect July 1, 2013.

The calculations and fiscal note cost estimates respond to the three currently approved programs. Future schools that may be approved under the amended law are not included in the fiscal note cost estimate and adding schools, including district-wide and variable-term schools, would cause this annual cost to increase.

The residential program per pupil monthly stipend is paid for nine months, times the rate, times the actual count. Calculating the rate from 1x in law to 2x for the three currently approved statewide residential programs increases the cost by \$1,660.7 annually.

<u>Region</u>	<u>Program</u>	<u>Maximum Capacity</u>	<u>Current Rate (1x)</u>	<u>Current Total</u>	<u>CSSSSB47 Rate (2x)</u>	<u>CSSSSB47 Total</u>	<u>Increase in State Cost</u>
Region I	None	0	\$410	\$0	\$820	\$0	\$0
Region II	None	0	\$400	\$0	\$800	\$0	\$0
Region III	Nenana	88	\$484	\$383,328	\$968	\$766,656	\$383,328
Region IV	Lower Kuskokwim	35	\$503	\$158,445	\$1,006	\$316,890	\$158,445
Region V	Galena	210	\$592	<u>\$1,118,880</u>	\$1,184	<u>\$2,237,760</u>	<u>\$1,118,880</u>
			Totals:	\$1,660,653		\$3,321,306	\$1,660,653

The program also provides for one round trip ticket per student, at the least expensive means, between the student's community of residence and the school if the district expends money for the trip.

Total per pupil monthly stipends per legislation	\$3,321,306
Additional cost of round trip tickets for all three programs based on FY2012	\$ 242,247
Add Boarding Home Program (AS 14.07.030)	<u>\$ 185,900</u>
Total program if legislation passes and residential is funded at 2x the boarding stipend:	\$3,749,453
Total appropriation in budget	\$2,088,800
Total funding necessary to fund 2x & Boarding Home if this legislation is passed:	<u>\$3,749,453</u>
Additional funding necessary to fund residential at 2x (fiscal note)	\$1,660,653

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	CSSB 57(EDC)
Fiscal Note Number:	4
(H) Publish Date:	4/3/2013

Identifier: CSSB057-EED-TLS-3-20-13
Title: LITERACY, PUPIL TRANSP, TEACHER NOTICES
Sponsor: STEVENS
Requester: Senate Finance Committee

Department: Department of Education and Early Development
Appropriation: Teaching and Learning Support
Allocation: Early Learning Coordination
OMB Component Number: 2912

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services	45.4		45.4	45.4	45.4	45.4	45.4
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	45.4	0.0	45.4	45.4	45.4	45.4	45.4

Fund Source (Operating Only)

1004 Gen Fund	45.4		45.4	45.4	45.4	45.4	45.4
Total	45.4	0.0	45.4	45.4	45.4	45.4	45.4

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

The CS amends Section 1 by removing the requirement for the department to annually contact parents/guardians of all K-3 students in Alaska regarding early literacy and placing that requirement at the local school district level.

Prepared By: Paul R. Prussing, Deputy Director

Division: Teaching and Learning Support

Approved By: Mike Hanley
Commissioner

Phone: (907)465-8721

Date: 03/20/2013 03:30 PM

Date: 03/20/13

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSSB057

Analysis

This CS amends Section 1, AS 14.03.072 (a), to require local school districts, not the department, to annually contact the parents/guardians of approximately 45,000 K-3 students across the state in order to provide current early literacy information. The CS maintains the original amendment to 14.03.072 (b), which requires the department to create and implement a communications campaign about early literacy.

Creation of communication campaign and material: \$45,377.50; (\$32,850 annual publications; 45,000 estimated at \$.73 each, tri-fold type brochure; annual postage estimated to provide 54 districts with current literacy information \$2,527.50; 150 flat rate boxes at \$16.85 each). Website creation/maintenance, local media contacts and public service announcement creation estimated at \$10,000; (2 public service announcements at \$4,500 each, and \$1,000 web design).

Section 3 amends AS14.20.140 (a); No anticipated cost to the department.

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: SB 57
Fiscal Note Number: _____
() Publish Date: _____

Identifier: CSSB057-EED-PEF-4-12-13
Title: LITERACY, PUPIL TRANSP, TEACHER NOTICES
Sponsor: STEVENS
Requester: House Finance Committee

Department: Fund Transfers
Appropriation: Designated Savings (UGF)
Allocation: Public Education Fund (Savings) (AS. 14.17.300)
OMB Component Number: 2929

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	736.3		1,502.0	3,435.8	3,435.8	3,435.8	3,435.8
Miscellaneous							
Total Operating	736.3	0.0	1,502.0	3,435.8	3,435.8	3,435.8	3,435.8

Fund Source (Operating Only)

1004 Gen Fund	736.3		1,502.0	3,435.8	3,435.8	3,435.8	3,435.8
Total	736.3	0.0	1,502.0	3,435.8	3,435.8	3,435.8	3,435.8

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This fiscal note differs from the previous version due to a sunset being included on the CPI adjustment to the per student factors for the Pupil Transportation Program. The CPI adjustment would be effective for FY2014, FY2015, and FY2016.

Prepared By: Elizabeth Nudelman, Director
Division: School Finance and Facilities

Approved By: Mike Hanley
Commissioner

Phone: (907)465-8679
Date: 04/12/2013 12:50 PM
Date: 04/12/13

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSSB057(FIN)

Analysis

This fiscal note capitalizes the Public Education Fund (PEF) as set out in CSSB57 in order to provide sufficient funding to address the Pupil Transportation Program.

CSSB57 increases the amount of pupil transportation funding provided to school districts through the Pupil Transportation Program funding formula at AS 14.09.010, "Transportation of Pupils." The program provides state funding for pupil transportation by assigning each participating school district an individual per student factor and then multiplying the factor by the current annual average daily membership (ADM) to arrive at each school district's annual funding.

Section 3 of this legislation repeals the 1.5% increase that was to be applied to the per student factors for FY2014 and FY2015.

Section 4 of this legislation amends uncodified law by adding a new section for a pupil transportation adjustment. A CPI calculation at 2.5% would adjust the per student factors in FY2014, FY2015, and FY2016. For FY2017 and forward, the per student factors are the FY2016 factors without change.

The CPI increase of 2.5%, which is reflected in the 10-year plan, was used in the calculations. Using this CPI increase, the estimated state costs of the pupil transportation program for FY2014 through FY2019 are shown below and on the attached spreadsheet titled Pupil Transportation Program.

The FY2013 Cost of the Pupil Transportation Program is \$73,795.9. Under CSSB57, the total program costs are estimated to be:

	<u>Current Law</u>	<u>Total New Costs with 2.5% CPI</u>	<u>Annual (Accumulated) Increase in State Costs</u>
FY2014	\$74.7 million	\$75.4 million	\$0.7 million
FY2015	\$75.9 million	\$77.4 million	\$1.5 million
FY2016	\$75.9 million	\$79.3 million	\$3.4 million
FY2017	\$75.9 million	\$79.3 million	\$3.4 million
FY2018	\$75.9 million	\$79.3 million	\$3.4 million
FY2019	\$75.9 million	\$79.3 million	\$3.4 million

This legislation would take effect July 1, 2013.

			1.015 repealed		1.025 New Cost		1.015 repealed		1.025 New Cost		1.025 New Cost		New Cost	
	FY2013 Per-Student Cost	FY2013 Preliminary ADM	FY2014 = FY2013 Per-Student Cost with 1.5% (increase based on current law)	FY2014 Projected Grant (FY2014 Per Student * FY2013 Preliminary ADM)	FY2014 Per-Student Cost with CPI of 2.5% *	FY2014 Projected Grant (FY2014 Per Student * FY2013 Preliminary ADM)	FY2015 = FY2014 Per-Student Cost with 1.5% (increase based on current law)	FY2015 Projected Grant (FY2015 Per Student * FY2013 Preliminary ADM)	FY2015 Projected Grant (FY2015 Per Student Cost with CPI of 2.5%* x FY2013 Preliminary ADM)	FY2016 Projected Grant (FY2016 Per Student Cost with CPI of 2.5%* x FY2013 Preliminary ADM)	FY2017, FY2018, FY2019 = Carry forward FY2016 costs			
Alaska Gateway	\$ 2,148	310	\$ 2,180	\$ 675,759	\$ 2,202	\$ 682,417	\$ 2,213	\$ 685,896	\$ 699,477	\$ 716,964	\$ 716,964			
Aleutian Region	0	25	0	-	-	-	0	-	-	-	-			
Aleutians East Borough	321	231	326	75,263	329	76,005	331	76,392	77,905	79,853	79,853			
Anchorage	449	47,706	456	21,741,417	460	21,955,618	463	22,067,538	22,504,508	23,067,121	23,067,121			
Annette Island	188	291	191	55,500	193	56,047	194	56,332	57,448	58,884	58,884			
Bering Strait	50	1,669	51	84,707	51	85,541	52	85,977	87,680	89,872	89,872			
Bristol Bay Borough	2,758	140	2,799	390,932	2,827	394,784	2,841	396,796	404,654	414,770	414,770			
Chatham	289	143	293	42,079	296	42,493	298	42,710	43,555	44,644	44,644			
Chugach	0	60	0	-	-	-	0	-	-	-	-			
Copper River	1,637	431	1,662	715,383	1,678	722,431	1,686	726,113	740,492	759,004	759,004			
Cordova	346	316	351	110,899	355	111,991	356	112,562	114,791	117,661	117,661			
Craig	437	315	444	139,853	448	141,231	450	141,951	144,762	148,381	148,381			
Delta/Greely	1,709	762	1,735	1,321,271	1,752	1,334,289	1,761	1,341,091	1,367,646	1,401,837	1,401,837			
Denali Borough	1,866	231	1,894	437,720	1,913	442,033	1,922	444,286	453,084	464,411	464,411			
Dillingham	1,257	481	1,276	614,069	1,288	620,119	1,295	623,280	635,622	651,513	651,513			
Fairbanks N. Star Borough	843	14,011	856	11,988,074	864	12,106,183	868	12,167,895	12,408,838	12,719,059	12,719,059			
Galena	263	312	267	83,233	270	84,053	271	84,482	86,154	88,308	88,308			
Haines Borough	646	276	656	180,872	662	182,654	666	183,585	187,220	191,901	191,901			
Hoonah	308	114	313	35,561	316	35,911	317	36,094	36,809	37,729	37,729			
Hydaburg	0	53	0	-	-	-	0	-	-	-	-			
Iditarod Area	218	182	221	40,229	223	40,625	225	40,833	41,641	42,682	42,682			
Juneau Borough	623	4,883	632	3,087,994	639	3,118,417	642	3,134,313	3,196,377	3,276,286	3,276,286			
Kake	280	105	284	29,932	287	30,227	288	30,381	30,983	31,758	31,758			
Kashunamiut	5	303	5	1,539	5	1,554	5	1,562	1,593	1,633	1,633			
Kenai Peninsula Borough	944	8,057	958	7,720,202	968	7,796,263	973	7,836,005	7,991,170	8,190,949	8,190,949			
Ketchikan Gateway Borough	750	2,107	761	1,603,573	769	1,619,372	773	1,627,627	1,659,856	1,701,352	1,701,352			
Klawock	603	131	612	79,872	618	80,659	621	81,070	82,675	84,742	84,742			
Kodiak Island Borough	825	2,401	837	2,010,161	846	2,029,965	850	2,040,313	2,080,714	2,132,732	2,132,732			
Kuspuk	675	336	685	230,476	692	232,747	695	233,933	238,566	244,530	244,530			
Lake & Peninsula Borough	396	318	402	127,917	406	129,178	408	129,836	132,407	135,717	135,717			
Lower Kuskokwim	286	4,014	290	1,165,128	293	1,176,607	295	1,182,605	1,206,022	1,236,173	1,236,173			
Lower Yukon	1	1,970	1	1,999	1	2,019	1	2,029	2,069	2,121	2,121			
Mat-Su Borough	939	15,472	953	14,746,017	962	14,891,298	967	14,967,207	15,263,580	15,645,170	15,645,170			
Nenana	606	205	615	126,063	621	127,305	624	127,954	130,488	133,750	133,750			
Nome	641	682	651	443,524	657	447,894	660	450,177	459,091	470,568	470,568			
North Slope Borough	1,156	1,647	1,173	1,932,960	1,185	1,952,004	1,191	1,961,955	2,000,804	2,050,824	2,050,824			
Northwest Arctic Borough	26	1,843	26	48,628	27	49,107	27	49,357	50,335	51,593	51,593			
Pelican	74	15	75	1,108	76	1,119	76	1,124	1,147	1,176	1,176			
Petersburg	386	451	392	176,783	396	178,525	398	179,435	182,988	187,563	187,563			
Pribilof	0	89	0	-	-	-	0	-	-	-	-			
Saint Mary's	199	183	202	36,862	204	37,225	205	37,415	38,156	39,110	39,110			
Sitka Borough	442	1,276	449	572,582	453	578,223	455	581,171	592,679	607,496	607,496			
Skagway	37	64	38	2,405	38	2,429	38	2,441	2,490	2,552	2,552			
Southeast Island	1,192	190	1,210	229,853	1,222	232,118	1,228	233,301	237,921	243,869	243,869			
Southwest Region	617	587	626	367,424	632	371,044	636	372,935	380,320	389,828	389,828			
Tanana	493	49	500	24,269	505	24,508	508	24,633	25,121	25,749	25,749			
Unalaska	669	415	679	281,494	686	284,267	689	285,716	291,374	298,658	298,658			
Valdez	759	637	770	490,466	778	495,298	782	497,823	507,680	520,372	520,372			
Wrangell	723	303	734	222,649	741	224,842	745	225,988	230,463	236,225	236,225			
Yakutat	768	88	780	68,793	787	69,470	791	69,825	71,207	72,987	72,987			
Yukon Flats	272	261	276	72,154	279	72,864	280	73,236	74,686	76,553	76,553			
Yukon/Koyukuk	309	297	314	93,165	317	94,083	318	94,563	96,435	98,846	98,846			
Yupitit	2	435	2	883	2	892	2	897	914	937	937			
Totals	\$ 31,431	117,871	\$ 31,902	\$ 74,729,696	\$ 32,217	\$ 75,465,948	\$ 32,381	\$ 75,850,640	\$ 77,352,597	\$ 79,286,413	\$ 79,286,413			
Annual (Accumulated) Increase in State Cost, New Law:					\$ 736,252			\$ 1,501,957			\$ 3,435,773			

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version:	SB 88
Fiscal Note Number:	3
(S) Publish Date:	4/5/2013

Identifier: SB088-DOR-TRS-04-01-13
Title: ALASKA NATIVE MEDICAL CENTER HOUSING
Sponsor: FINANCE
Requester: (S) FIN

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Treasury Division
OMB Component Number: 121

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel	15.0						
Services	400.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous	350.0		2,791.6	2,792.5	2,793.7	2,795.7	2,793.9
Total Operating	765.0	0.0	2,791.6	2,792.5	2,793.7	2,795.7	2,793.9

Fund Source (Operating Only)

1004 Gen Fund	350.0		2,791.6	2,792.5	2,793.7	2,795.7	2,793.9
1163 COP	415.0						
Total	765.0	0.0	2,791.6	2,792.5	2,793.7	2,795.7	2,793.9

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial note.

Prepared By: Deven Mitchell, Debt Manager
Division: Alaska Municipal Bond Bank Authority
Approved By: Angela Rodell, Deputy Commissioner
Department of Revenue

Phone: (907)465-3750
Date: 04/01/2013 03:00 PM
Date: 04/01/13

REPORTED OUT OF
SFC 04/04/2013

REPORTED OUT OF
HFC 04/11/2013

APPROVED BY
CONFERENCE
COMMITTEE

Printed 4/13/2013

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. SB 88

Analysis

The bill authorizes sale of \$35 million in certificates of participation (COP), that is a subject to appropriation obligation of the State of Alaska, to finance construction of a residential housing facility to serve the Anchorage campus of the Alaska Native Medical Center. The bill declares an intent for the project to be designed, constructed, operated, and maintained by the Alaska Native Tribal Health Consortium. This fiscal note and analysis contemplates 15-year level debt service, a 2.3% interest rate/true interest cost for the COPs, and state subject to appropriation credit ratings of AA+, AA+, and Aa1. The first payment would be interest only in FY14, at an estimated \$350,000, followed by 15 subsequent principal and interest payments approximately \$2.8 million. Following repayment of the COPs ownership of the facility would revert to the Alaska Native Tribal Health Consortium.

Additional financing assumptions include issuing tax exempt certificates of participation between July and September 2013, debt service beginning in FY14 with an interest payment and then principal and interest payments through 2029. Interest earnings on COP proceeds are estimated at \$150,000. Debt issuance costs, estimated at \$415,000, need to be included in the cost of the project. If interest rates go up by 1% the estimated cost of the financing would increase by \$315,000 per year.

It is anticipated that if current capital market conditions hold, the COPs will be issued with a structure generating original issue premium (funds that are generated due to the coupon rates on the COPs being higher than current yield requirements for a particular maturity). The structure and par amount of the COPs will be determined in consideration of any Original Issue Premium to result in the anticipated net deposit of \$35 million, after all costs of issuance are paid, to the project fund.

The operation of the facility will need to be conducted in a fashion that won't jeopardize the tax exempt nature of the COPs.